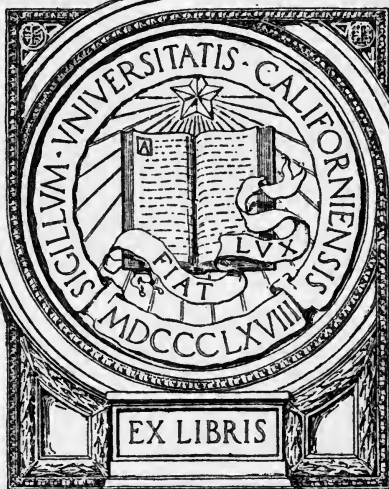


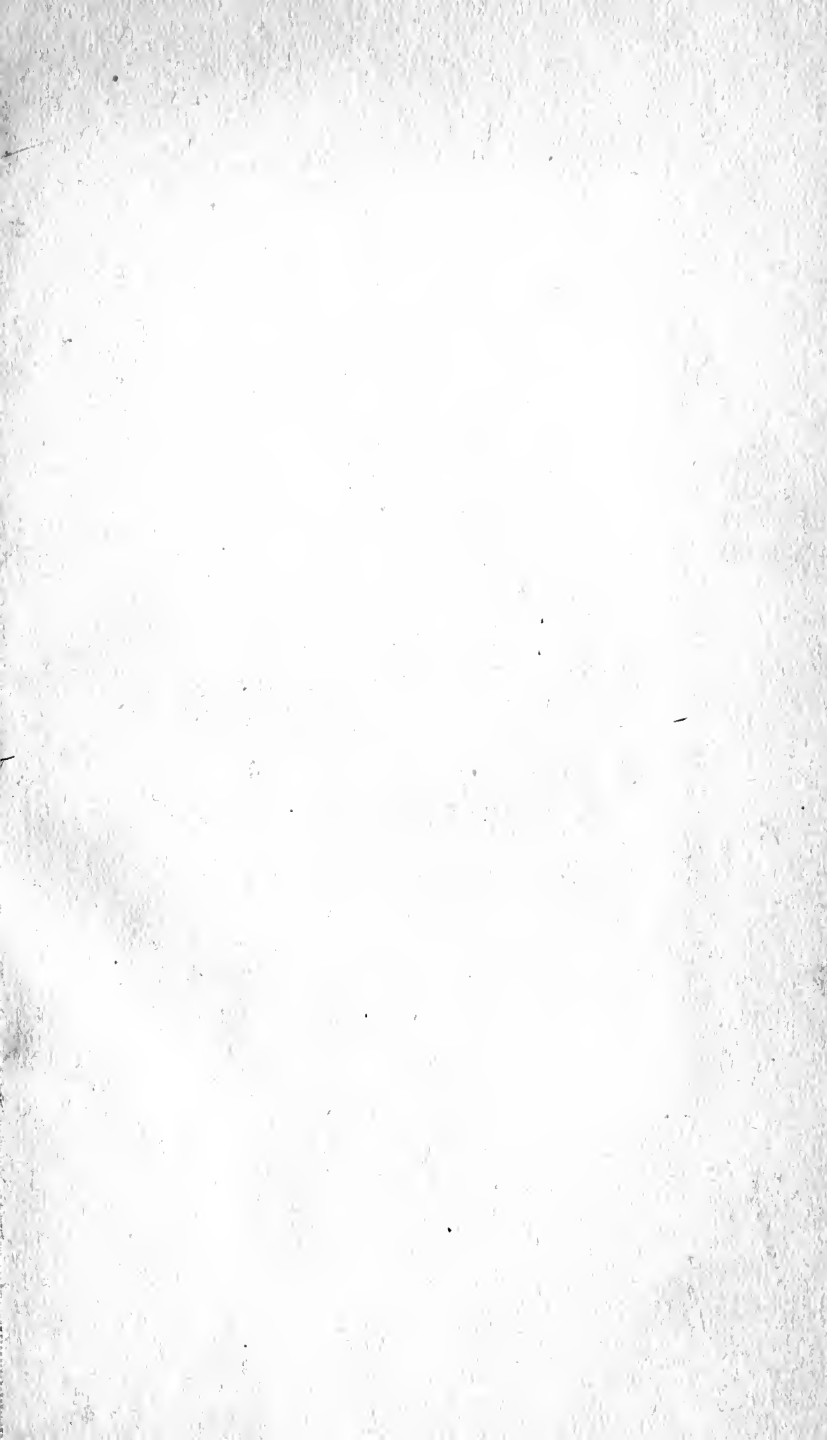
COMMERCIAL ADVERTISING

BY THOMAS RUSSELL

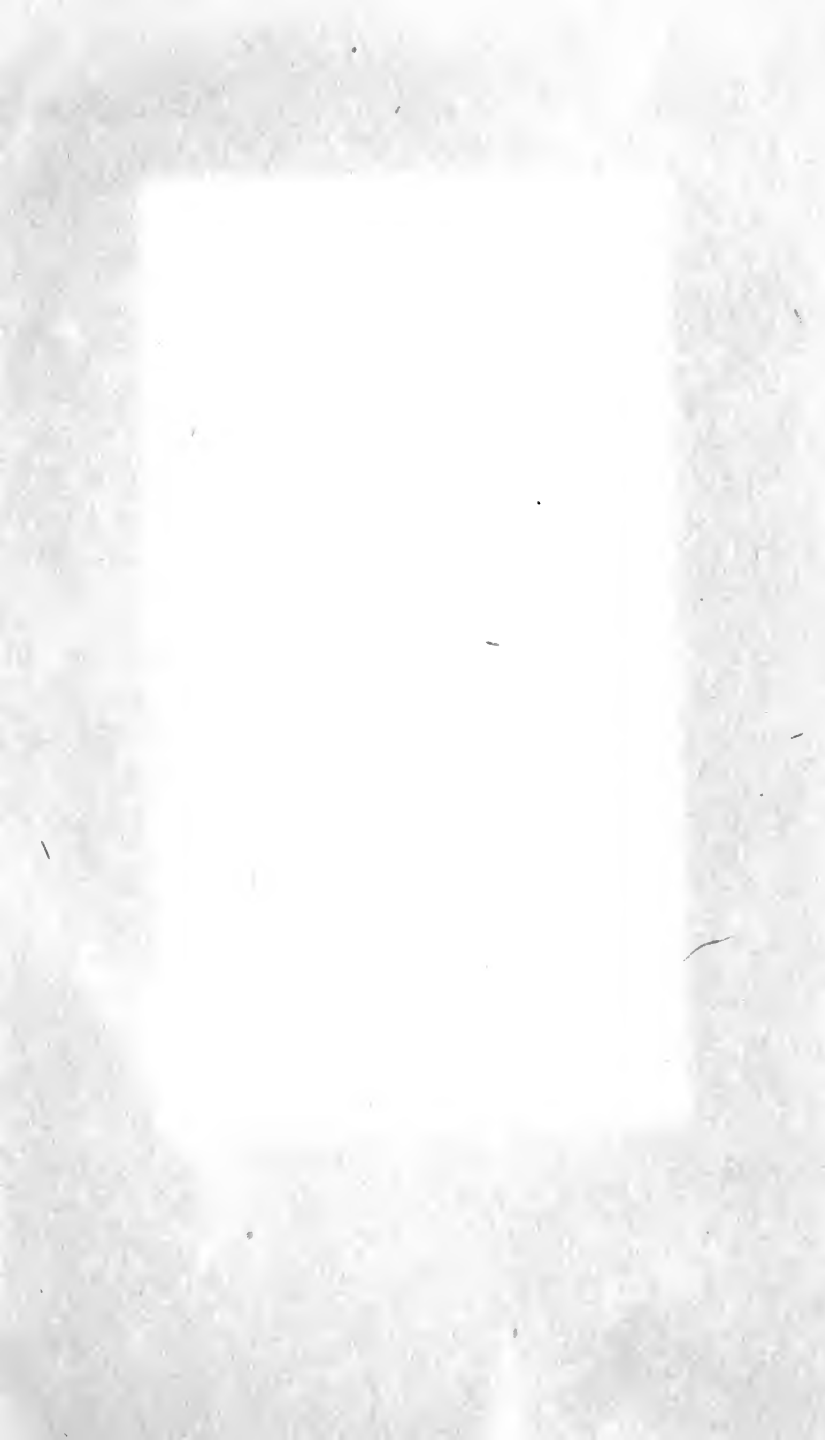
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STUDIES IN ECONOMICS AND POLITICAL SCIENCE.

EDITED BY THE DIRECTOR OF THE LONDON SCHOOL OF
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COMMERCIAL ADVERTISING



COMMERCIAL ADVERTISING

SIX LECTURES AT THE LONDON SCHOOL
OF ECONOMICS AND POLITICAL SCIENCE
(UNIVERSITY OF LONDON)

LENT TERM 1919

WITH ADDITIONS, INCLUDING
INTRODUCTION AND APPENDIX

BY

THOMAS RUSSELL

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SOMETIME ADVERTISEMENT-MANAGER OF "THE TIMES"; AUTHOR OF
"SUCCESS IN RETAIL ADVERTISING," ETC.



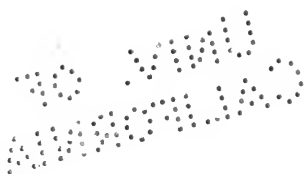
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PREFACE

THE Lectures forming the main part of this volume are reproduced, as far as possible in the original language, from the notes prepared in advance. A few passages which had to be omitted for lack of time have been restored.

The audiences were composed of students at the London School of Economics and Political Science, with a number of young men and women contemplating a career in Advertising, and some others already thus engaged. The average age must have been well under thirty. Several young men in khaki, chiefly from the Colonies, attended, with the evident purpose of taking back with them some knowledge of selling-methods in this Motherland. Thus the Lectures had to be confined with some strictness to practical subjects, treated in a fairly elementary fashion, though general commercial knowledge was assumed.

For this reason it has been thought desirable to preface the text with an introductory sketch, indicating the derivations and present *status* of Commercial Advertising; and to supplement it with an Appendix, discussing subjects which would have been included in the Lectures themselves had time permitted.

This book does not purport to be a working text-book of Advertising, but rather a statement of practical principles. It will be noted that every

opportunity has been taken to illustrate the theories propounded, with examples described from actual practice. Wherever possible—that is, wherever discretion permitted—the actual names are given. On the principle enunciated in the text, that policy is greatly more important than ‘copy,’ the miniature reproductions of newspaper advertisements which usually embellish books and technical periodicals devoted to this subject have been omitted. A little liveliness of appearance is no doubt thus sacrificed. But as it is perfectly useless to discuss advertisements without a full statement of the policy behind them, fully known only by the advertisers themselves, I preferred rather to approach the subject from the side which is really important.

THOMAS RUSSELL.

CLUN HOUSE,
LONDON, W.C. 2.
July, 1919.

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COMMERCIAL ADVERTISING

INTRODUCTION

ADVERTISING: ITS PAST, PRESENT, AND FUTURE

THE historical aspects of Advertising will only be discussed here in so far as they derive practical importance from the way in which modern Commercial Advertising is affected by its origins. Advertising had its birth when the first maker of a useful commodity had served all the customers who came to him unsought, and used some mode of making known his ability to supply wares to others. Perhaps he was a cave-dweller, who allowed to be visible from the entrance of his abode more stone axes than a family of the prehistoric age customarily employed in its pursuit of food. Advertising as a definite business may be more conveniently said to have been born when merchants and manufacturers first began to employ someone else to promote their sales. This definition, at all events, will bring the ancestry of Advertising within manageable limits. Readers desirous of delving deeper into the guilty past may go—if they can find it—to the only history of Advertising in existence, so far as I am aware, the late Henry Sampson's

amusing volume of 1874,¹ now a scarce book. Sampson, afterwards better known as 'Pendragon' of the *Referee*, was not a weighty writer on the subject, and gives no evidence of knowing—or caring—anything at all about Advertising. The book is in no sense complete. It skips long periods without shame, and dwells at disproportionate length on anything which the author happened to find amusing. He devotes a long chapter of fifty-three pages to Lotteries and Lottery Insurances, and another nearly half as long to Matrimonial Advertisements from 1695 to his own time. Another entire chapter describes in detail an old swindle, Graham's Celestial Bed, and an establishment (over which the future Lady Hamilton presided) known as the Temple of Health. There is little or no indication that the author had ever considered Advertising as a serious business. The history, in fact, is a sad piece of 'book-making.' The subject awaits its serious historian.

Advertising applied to useful commercial ends, as distinguished from the swindles described by Sampson, was, at the beginning of things, a bald statement that someone had desirable commodities for sale. Very soon, exaggeration and flowery language crept into the simple announcement. Newspapers of the eighteenth century contain advertisements that are straightforward enough. But the temptation to claim for the goods more merit than they really possessed seems to have been too much for the integrity of the retail tradesmen who were the

¹ A | *History of Advertising* | *From the Earliest Times.* | Illustrated by Anecdotes, curious specimens and | biographical notes. | By Henry Sampson. | With illustrations and fac-similes. | London | Chatto & Windus, Piccadilly. | 1874. (Cloth extra, gilt, 7s. 6d.)

only advertisers; and a century of experience, during which manufacturers discovered that the easiest way to sell goods by wholesale was to do the retailer's selling for him by advertising to the consumer, was required to lead up to a greater discovery still. The example of a minority of traders, who were enlightened enough to advertise, but too upright to say in print what they would have been ashamed to say in person, presently showed that there was money to be made by telling the truth.

The business of Advertising still suffers from the prejudices created by earlier misconduct. Advertisement in the early nineteenth century had become synonymous with claptrap and misrepresentation. Nobody believed that mere truth would sell the goods. But Advertising had become a necessity. Anyone who wanted to do business on a large scale must advertise in some way, and competition forced publicity upon the unwilling.

Declining to follow the evil precedent set by their less scrupulous rivals, several firms hit upon a way out of the difficulty. They desired to advertise. They were, in fact, bound to advertise if they were to obtain value for their investments in plant. The development of machinery and the use of steam, bringing in their train the factory system, left them no alternative. It became more and more expensive to set up in business as a manufacturer of anything. The old way of making things by hand had not required much money for plant. The new way required a great deal of money, and large buildings. Unless the output were large, rent and its equivalents, interest on capital and its equivalents, and everything that a modern accountant calls 'overhead expense',

would be crippling. But large output was useless unless the goods could be sold. Advertising was the only way to sell them.

Rejecting with honourable disdain the thought of saying things about their wares that were not true, some large manufacturers hit upon a brilliant idea. They would announce their goods. But they would say nothing about them at all, or as little as might be. The name, and the name alone, was blazoned forth, on crude posters; by advertisements in large, heavy type or blocks of white letters on a solid ground of black; or in some newspapers with queer effects obtained by repeating the name of the goods again and again in the smallish type to which these newspapers confined advertisements. Wherever the eye of the public turned, it was liable to encounter the advertiser's name. Illustration was, at first, little used. Some later genius conceived the idea that people would look longer at a word if there were a pretty picture near it. You could not eat the jam without the powder: you could not, that is, look at the picture without reading the words.

The psychology of the results obtained by such publicity as this lies a little way—though not far—below the surface. It is doubtful whether the plan was adopted with any clear notion of how it would work. The fact that it did work is due, in part, to the law, then unformulated, that only wares that are worth the purchaser's while to buy are worth the vendor's while to advertise. Assuredly, in the limited markets of the mid-Victorian era, the amount of the very crude (and therefore costly) publicity required to sell every unit afresh, would have swamped

the profits. These displayed advertisements sold goods which proved meritorious, and the merit of the goods caused them to be bought again. Publicity produced customers, not one-time sales. The fact that, through their inefficiency, the ever-repeated announcements of this period must have cost a very large sum in proportion to the sales which they created, crushed out the seller of inferior merchandise. He did not know, probably, why he was crushed; but the progressive logic of events was leading up to the discovery which has made modern—that is, honest—Advertising a public benefit, where the antiquated Advertising that went before the simple-display era was a public nuisance.

Why, however, did publicity of the mere name—repetition carried to its limit—sell anything at all? What is the psychological law behind the fact that if you see the words ‘Pears’ Soap’ often enough you will presently wash with Pears’ soap? Did the constant repetition of what would nowadays be called a ‘slogan’ convince people that Epps’s cocoa was really ‘grateful—comforting’?

I think the explanation, in which are also implied the limitations, of how this kind of publicity worked its wonders, can be stated with certainty. In psychological terms the effect is explained by the doctrine of association of ideas. Physiologically, it is an effect of fatigue. Commercially, it is an effect obtained through the tendency of every force to follow the line of least resistance.

By frequently associating the idea ‘cocoa’ with the name Epps, Mr. Epps obtained the result, that when either of these words was recalled to memory, it brought with it the other. A person

who had seen them together sufficiently often could not think of cocoa without also thinking of Epps. Whether he consciously worked along this route or not, Mr. Epps did, in fact, cause everyone to be seeing the words 'Epps's Cocoa' very often : and, his name being a little unusual, he skilfully assisted the public memory by adding the more familiar words 'grateful—comforting.' Very likely what Mr. Epps thought he was doing, was publishing a truthful description of his product, and doing no more. What he really did was to print a truthful description of his product, associating with it agreeable ideas. But, considering the general state of Advertising in the middle of the nineteenth century, I do not think that he made people *believe* that Epps's cocoa was grateful and comforting, merely because he said so. I think he only made the name easier to recall. Other advertisers said less : 'Bennett's Watches', 'Reckitt's Paris Blue', 'Crosby's Cough Elixir', 'Fry's Pure Cocoa', are each the entire wording of a whole advertisement in a newspaper of 1840, now in my possession.

It is, of course, a fact that the brain is unconsciously fatigued by every impression that it receives, and by each effort that it makes. By fatiguing the part of the brain which is affected by the optic nerve, the effect called hypnosis can be produced : and a hypnotised person is influenced by suggestion in altogether abnormal ways. The constant repetition of a name has a brain-wearying effect, which it would be going rather far, perhaps, to call hypnotic, but which does exercise a certain amount of suggestion in the hypnotist's sense. It will be recalled that investigators of one scientific

school attribute all hypnotic phenomena to pure suggestion: the revolving mirrors or 'passes' of the other schools are by these investigators believed to act, not through the eyes, but directly on the mind, by suggestion. Without carrying the analogy of hypnotism too far, it may be said with certainty that thought, like any other force, does tend to follow the line of least resistance. When the mind is called upon for an idea, it will select, if it can, the one which can be produced with the smallest effort. In popular language, we say whatever we first think of. We do not delve into the abysms of consciousness. The first association called up by the applied stimulus comes out. Judgment, selection, criticism, are much more complex operations of the mind than recollection. Will, in any strict sense, requires still more effort. Without knowing it, we have a tendency to shirk these greater efforts of mind unless we are conscious of some reason for enduring them. Fatigue is being endured, when a person is in a shop, through a variety of unperceived causes. Perhaps the attention of the shopper is divided between ordering and paying for goods and the conversation of a companion. The complicated appeals of all the merchandise displayed, and perhaps the 'pushing' of wares by the shopman, are also overlain by efforts of memory: 'What else was I to buy when I came to the grocer's? Oh! cocoa. Some cocoa, Mr. Rhys.' 'What kind of cocoa, madam?' 'Epps's, please.' The first association called up by the word 'cocoa' triumphs. We follow the line of least resistance.

But the association of ideas created by mere repetition is much less powerful than the impulse created by critical judgment. Even the association

of 'grateful—comforting' with 'Epps' does not act so powerfully as the effect of an argument which has convinced us that some other kind of cocoa is more palatable, more digestible, or in some other way more desirable, than Epps's. In the terms used a little earlier, such a conviction does supply the mind with a motive for enduring the greater effort of deciding according to reason, instead of following the line of least resistance. When Blondeau & Cie first began to exploit their discovery that it was possible to say something else about soap besides the name, the policy which they adopted, as they conceived themselves obliged to attack the great popular demand enjoyed by Pears' soap, was to use elaborate arguments in favour of Vinolia soap, including a veiled attack on Pears'. They explained the objectionable effects of any soap not specially protected against excess of alkalinity. They stated that the natural tendency of soap was to be alkaline, and that it was very difficult to make soap in such a way as to be exactly neutral. An excess of fatty matter, on the other hand, was, they contended, rather an advantage than otherwise. To avoid any possibility of alkaline excess, therefore, said the advertisements, Vinolia soap contained extra cream (a much nicer expression than 'fatty acids'), and people who valued their skins might now know how these could be protected.

Now it is certain that a person who had read this argument, and been convinced by it, would have an inducement to fight against the association of ideas which had long made 'Pears' and 'Soap' seem synonymous terms. The Vinolia advertising was the first heavy attack on the ascendancy which

Pears' soap had acquired by advertisements which nearly always consisted, either of the name alone, or occasionally of this name with a very little added matter. Events were moving. Even the Pears' soap advertisements did sometimes say something. The late Mr. Barratt had a great belief that the relatively small size of a cake of Pears' soap, when compared with other soaps, militated against its sale, though its lower humidity and consequent hardness made it last longer, because there was a smaller waste from solution. Mr. Barratt sometimes used an argument from this fact: Pears' soap was all *soap*: not soap and water. But except for slogans, like the famous and rather meaningless 'Good morning,' and little quips¹ and riddles, or a testimonial like Mrs. Weldon's: 'I am 50 to-day; but thanks to Pears' Soap my complexion is only 15' (it is quite true that she had a complexion like a young girl), a Pears' soap advertisement rarely said anything of importance except 'Pears' Soap.' It is rather a striking lesson on the progress of advertisement-making to compare the Pears' soap advertising of the last twelve months with that which was used earlier. Of course, the various 'dodges' of which Mr. Barratt was fond, operated in exactly the same way as a simple printing of the name. There was nothing to make people admire the quality of Pears' soap in the fact that he caused Pears' soap to be talked about by solemnly offering to print the census-forms of 1891 for nothing, if the Government would let him put an advertisement on the back. The purchase of Sir John Millais'

¹ *E.g.*, 'What is the difference between Pears' Soap and the Arab steed of the desert? One washes the beautiful; the other scours the plain.'

worst picture, and of the amusing 'Dirty Boy' statuette, showed enterprise; but they advertised the name, not the goods. The same is true of the stamping of French coins, which ceased, as a result, to be current money in this country. Everywhere, though a great deal was said about Pears, very little else was said about soap. Evidently Blondeau & Cie had an opportunity, which they used with great persistence and some skill, when they did advertise soap, and used what is now called 'reason-why copy,' to attack the entrenched position in New Oxford Street; but that position was, in fact, very strongly entrenched. Vinolia soap had a long struggle. It is common knowledge, I think, that the struggle was a hard one. But with some luck, and the advantage of argument over repetition, Vinolia soap established itself.

I do not think it did so in the way that the proprietors obviously thought that it must establish itself if at all; and the struggle of the lion and the lamb that have now lain down together (with Lord Leverhulme in the attractive character of the little child that leads them) has only been recalled at this length in order to illustrate the real weakness of the repetitive, or single-name school of Advertising. Mr. Barratt advertised Pears. Blondeau & Cie advertised soap. Mr. Barratt did nothing calculated to increase the demand for soap. Any sales that he effected were, in great part (and entirely, for anything that he did to the contrary) effected by taking business away from someone else. But Blondeau & Cie said a very great deal about the usefulness of soap. Their advertising did undoubtedly increase the consumption of soap, which

Pears' publicity did not. A great many people, careful of their looks, used to eschew soap when washing their faces, believing it bad for the complexion. Blondeau & Cie argued that Vinolia Soap was *good* for the complexion. Undoubtedly they made converts. It is questionable whether they took business away from Pears' to any important extent. Any variations in Pears' output was probably due to other causes.

The difference between modern Advertising, or the spreading of information about goods, and the antiquated use of Publicity, or merely announcing the name of a brand, is precisely this—that good Advertising does always increase the total consumption of goods in the class. Publicity, if it does anything of the kind at all, does it much less. In one of the ensuing lectures, some figures are cited, showing how Advertising has increased the total demand for cocoa in this country, and for tobacco and cigarettes in the United States. The Dr. Tibbles Company, the new cocoa-advertiser whose proceedings so alarmed the older cocoa houses that they greatly increased their advertising in order to protect their trade, did not use publicity at all. Even its posters were advertising, in the strict sense: indeed, it advertised cocoa as if cocoa were a patent medicine. The increased advertising of the other cocoas (especially Rowntree's) at first partook much more of an argumentative character than later efforts.

Advertising, then, has a creative effect, and this effect has only begun to be important in the more recent history of the business. The old publicity was rather a weapon used in the struggle for existing demand than a maker of new wants other than those

plainly factitious and uneconomic, like the desire for perpetual youth (as in Graham's Temple) or the desire for success in the Lottery, and so forth. Modern Advertising, the Advertising of the present period, does not merely alter the way in which a commodity is distributed, but actually causes more of it to be manufactured and consumed. An incident of the process is that sometimes the manufacturing cost of the commodity is lowered, because the more largely anything is manufactured, the less it costs per unit. There can always be, as well, the potential economies in distribution, described in the first lecture within. The economic soundness of the increased consumption made possible by Advertising depends on the nature of the thing advertised: the community would not be enriched if the advertising of fireworks caused the output of squibs and rockets to be doubled. It is assuredly not being enriched this year by the silly encouragement of bonfire-making at Peace-time, when the country is bitterly short of fuels.

There is more in the question than this, however. Setting aside entirely useless luxuries and wastes, a great many commodities, of which the consumption has been increased by advertising, either are definitely useful and reproductive, or contribute to rational pleasures and relaxations. What is the economic aspect of anything which increases the sale of either? Since cocoa has been used as an example, is it an economic gain to the community that the consumption of cocoa has been trebled in the last quarter of a century, or is it an evil?

There is no doubt about the fact that the quantity of cocoa consumed since the big cocoa-advertising

began *is* greater than it would have been, if cocoa had not been thus greatly advertised. Cocoa is a food-product : it tends to increase weight, create a certain amount of energy in the human body, and to keep us warm. It is to a very great extent a worker's beverage, and probably the increased quantities of cocoa consumed did not very greatly reduce the consumption of tea and coffee. People who desire tea at a given time will commonly have tea : they will not drink cocoa instead. A little less coffee may have been consumed : probably a good deal less beer. Workmen who used to take a can of beer to the factory take a can of cocoa instead. This is an undoubted economic gain. Turning barley into beer withdraws a definite amount of a useful and desirable food from the market, and thus tends to make food dearer. Moreover, if we accept the overwhelming weight of scientific evidence, every drink of beer measurably reduces the working capacity of the man who drinks it, to say nothing of the economic losses resulting from excess when a drunkard is temporarily unable to work and is perhaps locked up, costing the community money for policemen, gaolers, magistrates, the rental value of prisons, and other wastes. The pint of beer that a man takes to the workshop does not, probably, contribute very much to this loss, which can be ignored.

In so far as the greater consumption of cocoa means a smaller consumption of beer, however, it is an economic gain. But there are commodities of which the consumption is increased by advertising without raising this question. I have no doubt that the advertisements of Turog, Hovis, Bermaline, Veda,

and other breads, increase the consumption of bread. When the *Daily Mail* was running the 'Standard Bread' agitation, the total consumption of bread rose. Was this an economic gain?

It was, if more bread was eaten instead of some other food of a less sound physiological character, or if through buying more bread, people who were undernourished brought their dietary up to the proper standard. (I am not considering, for the moment, any advantage gained through the higher nutritive value, if any, of Standard bread or the breads advertised in more orthodox ways.) But if you are going to probe the matter to the bottom, the question that will have to be settled will be this: if the money had not been spent on bread in the one case, and on cocoa in the other, on what would it have been spent? If it would otherwise have been spent on fireworks, and other wastes, or on alcohol and other injurious products, the community gained by the money being spent on bread and cocoa. If the only consequence was that people ate more bread and cocoa than other foods and drinks which are better value for money, the community was injured. And it was also injured if money which otherwise would have been kept in the bank, financing commerce and industry, was needlessly spent.

Of course, increases of consumption due to Advertising are much less frequent, and are smaller, in the market for necessities, than in the market for articles of convenience and luxury. Is the community a gainer when some thousands of women get through their housework with less toil because they have been led by advertisements to purchase vacuum cleaners, Bissell carpet-sweepers, and other

labour-saving appliances? Surely the answer must be Yes! If the answer were anything else, we must, logically, go back to the Stone Age. Advertising has created a new want. But the number of our wants is the measure of our civilisation. The luxuries of one age are the necessities of the next, and Advertising, when it teaches us to demand rational and civilising things, is a benefit to the community.

This point has been laboured a little, because I showed that the creation of entirely new demand was the distinctive function of reasoned advertisement. Pure publicity, as I have defined it, is still quite extensively used, and can be used with efficiency, provided the function of it is clearly understood. Publicity is not an efficient selling-agency when it is made to carry the entire burden: the *ratio* of expense to sales will then be too high. But as an adjunct to Advertising proper it has much value. A poster, for instance, even if it displays nothing but the name of a brand, supplements Press-advertising, and makes the latter more effective by reminding the consumer of his wants when he is out-of-doors and the shops are handy; and it also impresses his memory through its powerful, sledge-hammer attack upon the mind. Even in poster-advertising, the mere name alone is being to-day less and less used by people who understand how to advertise. It is quite possible to construct a pictorial argument, or devise a picture that embodies a selling-inducement. The merit of Mr. John Hassall's designs lies less in his extraordinary knack of depicting expression, than in his still more extraordinary gift of pictorial salesmanship. A Hassall poster is never a mere picture, or a mere joke, exquisitely ludicrous though

it often is. It is an argument, a suggestion, a piece of true salesmanship.

Printing a name or a trade-mark all alone, then—*chimæra bombinans in vacuo*—belongs to the past of Advertising. Present-day Advertising sees the appeal to reason gaining force. The big single-name advertisers were driven to the method which they exploited, by the persistent exaggerations of advertisers who used fallacious argument and insincere exposition. Having proved, during a period of over half a century, that it was better to say nothing than to say what was not true, advertisers in the future will say a great deal more than most advertisers say now, but will take great pains to say nothing untruthful.

There is still some difficulty in defining exactly what things are the best to say when you want to sell goods. The most unlikely printed matter sometimes does the business. Some years before the late War, a grower of potatoes who had built up a large trade by supplying these vegetables directly to consumers showed me the pamphlet which he found successful in promoting his business. His practice was to use quite small spaces in, I think, the *Daily Graphic*, offering a sack of potatoes, carriage paid, on terms just a little below the ordinary greengrocer price. Every order received was carefully recorded, and at the proper seasons of the year all the people who had ordered his potatoes received the little book which he showed me. The result was to bring him repeat orders for all the potatoes that he could grow, and sometimes more. He had told me that he did remarkably well, and I examined the book with interest, desiring to learn what a clever advertiser could find to say on so uninteresting a subject as

the potato. He said nothing whatever about potatoes. The book consisted *entirely* of a list of the names and addresses of people who had bought potatoes from him. His pamphlet was a copy of his mailing list!

Having already seen his figures, I declined without enthusiasm to advise any change in his mode of advertisement, and decided that in all probability this book, which no human being could have read except the proof-reader, must have produced the following train of thought: 'If all the people in this long list, page after page, are buying the man's potatoes, he must have a big business. If he were not giving them good value, he would not dare to print their names. Here goes! Let us send him the money.'

Another advertiser whose evident success is much more difficult—I think impossible—to explain is the extraordinary Mr. Eno. His pictures never, and his text very seldom, have anything whatever to do with his goods. Robert Louis Stevenson called them (what they certainly were not) 'the most indecent advertisements I have ever seen'. They are, on the contrary, full of moral 'uplift' and a sort of sentimental enthusiasm; but they have nothing to do with fruit salt. Most often even the name is not prominently displayed, and I am credibly informed that on one occasion the name was accidentally omitted altogether, without anyone missing it, and without any traceable damage to the business. 'Bibby's Annual', a magnificent and lavishly printed publication which, I should think, must cost Bibby & Co. a very great deal more than the sale of it can return, is just as difficult to understand—if it is an advertisement at all. But

it may bring results. It is never safe to criticise an advertisement or a mode of advertising unless the inside facts and secrets behind it are known.

The ineptitudes and stupidities which disfigure a great proportion of the newspaper advertisements now appearing are the signs of a transitional period. Some businesses seem to exercise a stultifying influence upon advertising. There is, for example, little tobacco or cigarette advertising that is not silly, and some of it is worse. But the tendency is towards improvement. The literary work in a good many modern advertisements is excellent, and the demand for good literary treatments is increasing every year. I know of a very considerable advertisement contract that was taken away from one agent and given to another on account of a simple grammatical blunder!

The long vogue of simple 'name' Advertising led to a demand for brevity in copy which has had the effect of militating against literary merit. Putting a case into a very few words is not so much a literary achievement as a trick of thought. It is given to few men to write a good advertisement in fewer words than the three into which Mr. Andrew W. Tuer thus condensed the story of a famous product: 'Stickphast Paste Sticks'. An advertisement in a single sentence, of which it takes an advertising man to appreciate the real brilliancy, said 'Inside the airtight case of the 5s. Ingersoll Watch you will find the two-year guarantee'—or nearly this; I may be wrong about the period. Advertisements in the future, as I shall argue when I reach that part of the subject, will be less brief than it is now usually believed that they need to be.

The real characteristic of the best of the present day's Advertising, however, is its insistence on sincerity. America, as I said in the first of the Lectures which follow, has done a great deal for the betterment of Advertising. No treatment of this subject would be complete, or could be just, if it did not pay tribute to the great influence of the late John E. Powers, the most distinguished advertising man of the United States. What is called 'the Powers style' of writing and printing advertisements has sometimes obscured the greater claims of Mr. Powers to supremacy among the men whose practice has affected the whole business. He disliked pictures and display-type. He especially abhorred a capital letter, except at the beginning of a sentence or of a proper noun. He thought that one particular type-face beat every other: it is always easy to recognise an advertiser who has come under the influence of Mr. Powers, by his plainly printed letterpress note-heading, all in Caslon old-style type. Mr. Powers also affected a jerky, elliptical manner of writing, which sometimes made him a little difficult to understand; and he was so afraid lest he should say anything about a product that he was advertising, beyond what was strictly true, or that he should obscure any of its defects, that he sometimes appeared more anxious to warn the customer than to sell him the goods.

But his manner, and even his mannerisms, are unimportant. It is likely that very many bad copy-writers have been produced by an effort to imitate the inimitable. The glory of Mr. Powers's life-work in Advertising was his insistence upon the two things which have most advanced the

business : sincerity and service. I did not know Mr. Powers and never saw him. What I have seen of his work, and of the advertisers whom he influenced, justifies me in acclaiming him as the strongest and most beneficent influence that modern Advertising has seen.

The dumb yearning for a sincerity which drove advertisers of the middle nineteenth century to the use of simple announcement found its most clamorous exponent in him. The desire was there ; but it had not been put into terms. The dilemma existed : if we do not advertise, we cannot sell enough goods to pay the interest on our capital ; if we advertise our goods according to current practice, we must tell lies about them. Simple announcement—advertising, not the goods but the name—had been the only solution. But presently, in the brain of some commercial genius, was born the great idea. We *will* advertise our goods as well as our name ; but we won't lie about the goods. Those who adopted the new policy prepared themselves for a sacrifice. It was not believed to be quite so profitable to tell the truth as it was to lie : it was only *right*. Probably the first exponents of the modern plan believed themselves to be suffering some little disadvantage. It took a long time to find out that they were, on the contrary, stealing a long march on the brigands.

It is necessary to draw a small distinction here. Apart from novelties, like tea, the advertising of the eighteenth and early nineteenth century was mostly about perfectly useless things. The factory system, as I have tried to show, had much to do with bringing staple products into the field of the advertisable—

into the domain, in fact, of businesses that must be advertised in order to live. Most of the things advertised, up to that time, were poor value. If you want to tell lies in advertisements you *must* provide a huge profit to pay for the advertisements. Every time you have taken anyone in, you have reduced your market. The population was not so large as it is now, and even if it was still, as Carlyle said early in the new period, 'mostly fools,' the fools found out when they had been defrauded, and a defrauded fool is a dangerous enemy. But it is not only about worthless, or nearly worthless, products that it is possible to lie. The merits of really sound merchandise can be exaggerated. One of the greatest difficulties of an advertising-man is to persuade advertisement-writers that this exaggeration is not a help to sales, but a hindrance. Progress, at the present time, is along the line of eliminating exaggeration rather than diametrical untruthfulness. By the time Mr. Powers was making his influence felt, American advertisers, at least, had outgrown the use of simple publicity. I am afraid that a good many of them were exploiting somewhat hardily the uses of misrepresentation. Advertising-reform had a share in cutting out some other abuses, too. Mr. Wanamaker, a Philadelphia shopkeeper who was an early employer of Mr. Powers, created a great sensation by being the first conspicuous retail merchant to ticket his goods in plain figures, and charge the same price to everyone: previously, the habit had been for the counter-assistants to get as much as they could, being guided by a secret mark showing the minimum. Mr. Wanamaker became the most conspicuous advertiser of the day. One implement employed

by Mr. Powers had a psychological idea behind it, discussed in one of the lectures within.¹ Exaggerated advertisements were, at the time, commonly printed in correspondingly exaggerated type. (They are much more commonly printed in very small type, nowadays, both in Britain and America.) Extreme simplicity of lettering, and a simplicity of wording which later became even rather excessive, were used by Mr. Powers to suggest the truthfulness which he practised.²

Modern commercial Advertising has done great service to business and the public, through its discovery that honesty pays. This service is made all the more efficient by the fact that there is no pretence that anyone loses money by it. As I have said, the early truth-tellers were prepared for a sacrifice. They achieved, on the contrary, an astounding success. Advertising of the kind which I persistently call 'modern' is a great deal more profitable than Advertising ever was, prior to the great discovery which separates its antiquated period from modernity with the same sharpness as the invention of printing marks the end of the Middle Ages in History.

It is to be noted, that the reform of Advertising came from within. The Press, which makes such a parade of ignoring its greatest source of revenue,

¹ Lecture III, p. 144.

² Later, in the service of another retailer, he attempted to establish a new business on the plan of selling everything, for a fixed period, at its exact cost. The idea was a bold one. The shop expected, by good service and pleasant shopping arrangements, to set up the habit of using it. I do not defend the notion: personally, I think this plan objectionable in many ways. But that does not matter. After a little while, Mr. Powers discovered that his employers were not playing the game. They were not selling at cost price. He immediately withdrew his services, throwing up a lucrative contract, and letting everyone know the reason.

had nothing to do with the matter. So long as advertisers were willing to pay for it, no lie was too outrageous for a newspaper to print. To-day, in a vast majority of publications, any exaggeration that is not visibly and penally fraudulent can be inserted without question. A very few, led by *London Opinion* under the advertising management of my friend Mr. John Hart, assume responsibility for the advertisements which they insert.

It can be said in defence, that as it is hardly practicable for a publisher to investigate, with sufficient thoroughness to eliminate every possible misrepresentation, all the businesses for which he provides advertisement-space, he had better not intermeddle. In proportion as he is known to reject advertisements which he discovers to be objectionable, he gives his protection to all the others, which he admits. As the public cannot be protected to the uttermost, it is better that it shall be left to its own sagacity, and taught to question all things. The Courts of Justice give a most immoral sanction to dishonesty, through the doctrine of 'trade exaggeration,' holding that a certain amount of misrepresentation is to be expected of a business man : otherwise where does the maxim, *caveat emptor*, come in ?

No one, I think, can defend this. It may be good law, though I doubt it. It is certainly very abominable practice; and my good fortune has brought me the happiness of knowing many advertisers who are almost fanatically scrupulous in eliminating from their announcements all but the most unquestionable truth. And the ground which they take is unassailable. After the habit of our

nation, they do not mention conscientious scruples : they would hate like anything to be caught moralising on the subject. They say, ' We must be careful not to say the thing is too good : otherwise people will not believe us ! ' The hardest-headed men of business are precisely those who insist that the truth is a gold-mine, even if gold-mines are not always the truth when they appear on the Stock Exchange.

As already remarked, the Press had nothing to do with Advertising-reform. I do not complain of this. If the Press believes in the argument which I have put into its mouth, above, let the Press go ahead, and live with it. But I really do complain a little that the Press, in its amazing self-righteousness, should treat every advertised product as a sort of pariah, or an indecent subject, whose flagitious identity must be veiled by periphrases or dashes, after the custom of authors who write ' d—n,' because they think this doesn't look so wicked as ' damnation.' If, through some accident, an advertised product enters into the news, the papers will go ever so far round to avoid naming it : ' The proprietors of a well-known toilet-preparation chartered a river-steamer at the boat-race.' ' Mr. Roscius Mummer ' (there is, for some obscure reason, nothing but good in dragging in the name of an actor) ' addressed the crowd standing on a box labelled ——'s soap.' If an advertiser really wants to get into the news columns, he must either commit bigamy or have his factory burned down.

Until a few years ago, not only advertised goods, but the very subject of Advertising in the abstract, was excluded from mention in any respectably conducted journal. Presumably the idea was that the

Press might otherwise be considered as subservient to the commercial influence of Advertising. Frequently—most often in the columns of papers which could not possibly exist, except by virtue of advertising-space sold above its true value—the notion is ventilated that the Press is muzzled by advertisers. The paradoxical fact is, that the Press is only independent when it does live on its advertising revenue.¹ Of late years, while showing little sign of increased tenderness for advertisers, the Press has shown more respect for Advertising in itself. *The Times*, during 1904-5, published in its Financial and Commercial Supplement, then under the accomplished editorship of Mr. F. Harcourt Kitchin (afterwards the editor of the *Glasgow Herald*, and now of the *Board of Trade Journal*) a number of articles by myself. They were cautiously headed 'From a Correspondent,' and in them, so far as I know or can ascertain, *The Times*, for the first time in its history, recognised the existence of Advertising.

Its example had great influence. The Press became more hospitable to the subject. References to, and articles about, Advertising appeared from time to time. The *Evening News* invited me to contribute a long series intituled 'The Curious Side of Advertising,' afterwards reprinted, through the kind permission of the Editor, by Mr. Walter Hill. Later still, a movement to 'Advertise Advertising' was initiated by some members of the now famous Aldwych Club, and a considerable number of newspapers gave space for displayed advertisements, addressed to the public, and setting forth the advantages to be derived from the purchase of adver-

¹ *Vide Appendix, p. 289.*

tised goods. A small space, similarly employed, appears every week in *London Opinion*, and the same device was adopted by Mr. Philip Emanuel after he left that paper to become advertisement manager of the *Passing Show*.

But, as I have said, the Press has not in general been a pioneer of Advertising-reform. Improvements in Advertising have come from within. Service, the second great advance and the most modern, also came from within. It may be defined as the product of that spirit in commerce which refuses to be satisfied with the profit derived from a business transaction, unless the other party to that transaction derives a full measure of benefit. It is the spirit of a seller's 'divine discontent' when the buyer is not a gainer by his purchase. It is the antithesis of the spirit in salesmanship which regarded the buyer as the victim of the seller. It goes far beyond supplementing the mere transfer of ownership in an advertised commodity with some other act or gift 'given away with a pound of tea.' 'Service,' it will be seen, is a rather elusive thing. Mr. Selfridge's rest-rooms and other conveniences, the dining-car accommodation on trains, the temporary free tunings included in the price of a piano, the privilege of having the remaining instalments waived if you die while paying by the month for furniture bought of certain firms, and similar gratuitous amenities, are all 'service.' But in its best sense, the word means far more than doing something to make a purchase more attractive. It means treating the whole relation of seller to buyer as including the obligation to give the buyer the completest and most justified satisfaction. If you

happen to own a Kodak, the company which manufactures the most famous of all photographic appliances will, at any of its numerous branches, take any amount of trouble to improve the results obtained with it. This is 'service.' Sales-managers call that kind of post-sale treatment 'keeping the goods sold,' and the system goes beyond any case where the contract of sale provides for the return of the money if the buyer repents of his bargain.

A great deal of modern salesmanship by advertisement includes the 'money-back' system, and this is a form of 'service.' Three very conspicuous examples of it in this country have been Fels-naptha soap, Brooke Bond's tea (both under the influence of Mr. Powers), and the large mail-order business in cigars of my friend Mr. Walter Martin.

Money-back trading is undoubtedly 'service.' So is the plan on which, following the 'Encyclopædia Britannica' scheme, costly works of reference are constantly sent 'on approval' before the applicant commits himself to a purchase: so, indeed, is instalment-selling in itself. There is no doubt an easy psychological explanation of the success with which approval and money-back selling appeal to the public purse. If the seller is willing to back his recommendation thus thoroughly, the recommendation becomes more credible.

It is much easier to use this psychological appeal where the advertiser trusts the public instead of asking the public to trust him. The enormous success of the first 'Encyclopædia Britannica' campaign was due to Mr. H. E. Hooper's unshakeable and still unshaken belief in the public. 'I am certain,' he said to me, 'that 95 per cent. of the

people are honest,' and the collection-figures in all his bookselling campaigns proved his estimate arithmetically correct.¹

In so far as it is able to reduce the price of commodities (my first Lecture is almost entirely devoted to proofs and examples of this), Advertising has an implicit element of Service. Obviously the advertiser makes a profit by retaining part of the economy. It would be unreasonable to expect him not to do so. He is entitled to pay himself for his risk and for his investment. Where he obtains more than an ordinary competitive profit, it is because he is able to create a more or less temporary monopoly in a new product, or because consumers are willing to pay a little more for a guarantee of standardised quality. If this product is of real utility, who shall say that consumers do not derive more advantage from it, even at the somewhat artificial price which pays for the expense of introducing it to them, than they would from saving the money and going without it altogether? If the thing is worth having, the advertising of it is a service to them.

By making itself useful to the public, and by treating the public fairly, commercial Advertising has, by degrees, established for itself a position from which it is unlikely to be dislodged. That the Advertising of the future will resemble in its outward manifestations that of the present day is extremely improbable. Dr. Johnson thought that Advertising had, in his own day, reached such perfection that improvement was hardly possible. Had Dr. Johnson been an advertising-man, he might have been humbler

¹ Some details of Mr. Hooper's book-advertising enterprises are given in the sixth Lecture. *Vide infra*, p. 217 *et seq.*

in his expectations; perhaps he would have been less severe in his criticisms.¹

There is no doubt in my own mind about the direction in which improvement will be achieved. Looking backward to 1850, or thereabouts, one sees that violent displays of different kinds gradually gave place to more restrained topography, ugliness being abandoned as a method of attracting attention, for elegance and even beauty. It is to be remarked that prejudices die extremely hard. Because there was a great deal of dishonest advertising in the eighteenth and early nineteenth centuries people still retain a certain distrust of statements in an advertisement. Because advertisements in the Victorian period were seldom good to look at, the word 'hideous' attaches itself mechanically to the word 'advertisement' like the characteristic adjectives of the Roman poets, to whom Æneas was always *pious* and Achates *fidus*. It can no more shake off its conventional epithet than they.

A comparison of the advertisements in a newspaper or periodical of to-day with those half a century ago will show great improvement, but the greatest improvement has been in posters. The advertising value of the poster is greatly under-estimated at the present time. Relatively few advertisers have ever used posters at all. They are by far the cheapest medium of publicity. The comparative expense of the same predominance among large advertisers

¹ 'Advertisements are now so numerous that they are very negligently perused, and it is therefore becoming necessary to gain attention by magnificence of promises and by eloquence sometimes sublime and sometimes pathetick. Promise, large promise, is the soul of an advertisement. I remember a washball that had a quality truly wonderful—it gave an exquisite edge to the razor! The trade of advertising is now so near to perfection that it is not easy to propose any improvement.'—*The Idler*, January 20, 1759.

on the hoardings or in the Press is about as 1 : 4 ; which is to say, that to be the unmistakably most conspicuous advertiser of the day in the newspapers would cost about four times as much, at a given time, as to be with equal unmistakableness the most conspicuous advertiser on the bill-boards.¹

Before allowing oneself to be carried away by the unthinking reprobation of posters as hideous and sometimes 'indecent,' it is desirable to consider for a moment just what posters are, and what is their effect upon the appearance of the streets. (I neither attempt nor desire to defend advertisements in rural surroundings, except by the remark that when a piece of country has a railway running through it, it is already so 'desecrated' that nothing in the world can make it much worse.) The poster is a victim of constant misunderstanding. It is misunderstood by advertisers : they blame it unjustly for its costliness. It is misunderstood by designers : they think that a poster is either a picture or a joke, whereas it is neither, but a selling-implement. It is misunderstood by the public and condemned for its hideousness and immodesty. Now billposters are the only advertising-men who have organised themselves for the express purpose of keeping their business clean. Any poster which sails anywhere near the wind is, either in respect of honesty or propriety, considered by a most prudish board of censors. I have seen many designs that were condemned ; and a Presbyterian Sabbath-school com-

¹ This estimate takes into account both printing and display. It used to cost on the average somewhere about four and a half times as much to post a reasonable display of posters as to print them ; but the cost of printing the bills has risen enormously during the War, and is not likely to fall. Billposting has risen comparatively little in cost—only about 30 to 35 per cent.

mittee must be rather a skittish body of people compared with that whose modesty was shocked by some of the designs which have been turned down. On the other hand, it cannot be denied that some posters are still rather ugly. So are 99 per cent. of the statues in this London of ours. So are a great many farm-buildings and country public-houses. And very much more hideous, incomparably more hideous than the worst hoardingful of bad posters, are the derelict plots of waste ground awaiting the builder in every large city, and the strips of land which for one reason or another builders cannot use, and which are fortunately hidden by the hoardings. No one demands in the name of æsthetic purity that the statues, farm-buildings, and village pubs be torn down; but certain ill-balanced minds do demand that the waste land, with its harvest of empty tomato-tins, old bricks, and dead cats, be bared to the delighted gaze.

A great deal might be done to improve posters. Printing-inks might be better chosen: what a tasteful choice is able to do was seen, this Spring, in the delightful blue and yellow poster, containing only letters, of the Government's 'National Saving' announcement. If the neutral borders called by billposters 'blanking,' were always used, setting each poster apart in a space of its own, and if advertisers would keep to standard dimensions,¹

¹ The conventional unit of 'crown' paper, 15 inches by 20 inches, has been all but uniformly adopted: poster-sizes being made up in multiples of the double crown, 20 inches by 30 inches. Whether the bills are printed in the upright direction or (in billposters' language) 'broadside,' the use of a regular unit enables posting stations to be covered neatly, instead of carrying a variety of different-shaped bills fitted into each other. The four-sheet double crown, 40 inches by 60 inches, the eight-sheet, 60 inches by 80 inches, the sixteen-sheet, 80 inches by 120 inches, and the thirty-two sheet, 120 inches by 160 inches,

instead of using all shapes and sizes, the confused and uncomely appearance of a crowded hoarding would be avoidable. Poster advertising is not perfect ; but it is not so black as it is painted.

In the Advertising of the future—and this is my excuse for this digression about billposting—the poster will perhaps be the only mode in which ‘display’ will be common. To put the thing more academically, we shall have very little ‘Publicity’ and a great deal more ‘Advertising.’¹ Purchasing as the result of publicity is an irrational act. Even the most casual analysis of its psychology² shows it to be motiveless and mechanical, the effect of an instinctive gesture which shirks real discrimination. Publicity of the simple name is made less mechanical and lifeless when the name is always associated with the catch-phrase used as a ‘slogan.’ Next in the order of intelligence—but still keeping within the domain of strict publicity—comes the association of the name with an ever-changing succession of different irrelevant catch-phrases. It would be an abuse of language to call this kind of enunciation an argument. The appeal is to something other than reasoned thought : to say, ‘If men’s consciences

offer a choice of sizes to suit all requirements—the smallest being capable of accommodation wherever there are posting-stations at all, the largest forming a display big enough for any reasonable ambition. Blanking, which keeps posters apart, not only adds enormously to the value of a design, but prevents a clash of colours often distressful to the eye where one bill is posted in contact with another. It also, incidentally, enables, in certain situations, a smaller poster to be used than would otherwise be required. An advertiser often finds it impossible to use in the small towns and villages bills of the size required to attract attention in larger cities. If the size of his campaign would make it extravagant to print two bills, a large and a small, he can sometimes obtain a satisfactory result by blanking-out a small one to a larger size.

¹ Publicity is a mere announcement of goods ; to advertise a thing is to disseminate knowledge of facts about it. See Lecture V., p. 182.

² *Vide infra*, p. 4 *et seq.*

were visible, Sapolio would clean even them,' is mere banter. The best modern advertisements do not tell the reader that the manufacturer or merchant has a high opinion of his wares. They tell him physical facts about the wares, or present him with reasons for buying them. They approach, not his indolence, but his reasoning faculty, at the same time often using one device or another for catching his attention unawares.

Observe, however, that if we start from simple-name publicity, the order of evolution is what I have described above. Logically the next step is to discard by degrees factitious and irrelevant eye-catchers, and treat the public seriously. A pretty girl in some rather risky attitude will soon no longer be the illustration chosen for advertising cigarettes on the ground that men are likely to look at that sort of picture, and while looking may notice the name of the goods. The reader will, instead, be told something interesting and relevant, and if a picture is used, it will illustrate the argument.

Of course, it would be absurd to pretend that everything except serious and probably rather burdensome argumentation will disappear from advertisements. What will happen is that advertisements will acquire such interest and a sprightliness that they will not be 'negligently perused' (as by Dr. Johnson), but gladly read for their own sake. The reader will not then be attracted by the foolish irrelevancies now in fashion. He will have outgrown them. By what devices will he be attracted? He will be attracted by the raised standard of interest and usefulness in advertisements generally, and sometimes by the reputation of their authors. Advertising

that has no public usefulness—advertising that is not ‘service’—is bound to disappear at the same time that the public becomes intelligent enough to require something besides mere silliness to induce it to read a commercial announcement.

Even now the public does not require a great deal of persuasion if advertisers will only take the trouble to make advertisement-reading worth while. The solid wad of advertisements all packed close together in the *Strand Magazine* or *Nash’s* do not attract the eye by proximity to reading-matter. The reader must turn deliberately to them. That he does so is proved beyond question by evidence internal and implicit. Mail-order advertisements, the results of which not only can, but must, be strictly ascertained, insertion by insertion, appear regularly in large numbers in popular magazines. *Punch* has not only gained in efficiency as an advertising *medium* with the gradual increase in the number of advertisement pages: but it has also gained circulation.¹

The examples of *Punch* and the magazines (for what is true of *Nash’s Magazine* and the *Strand* is also more or less true of the other popular monthlies) prove that the public will go out of the way to read ad-

¹ I do not pretend that the circulation of *Punch* has been increased through the large number of handsome and well-balanced pages of advertising which it contains; but it is very evident that its purchasers are not offended by these: first, because, so far from giving up *Punch*, they increase in number, which can only mean that they recommend it to other people; and, secondly, because they do most undoubtedly buy the goods advertised in *Punch*. When I was at *The Times*, the late Mr. Walter was rather alarmed by the increase in displayed advertising. ‘We shall lose subscribers, if this kind of thing goes on,’ he said to me. The circulation figures of *The Times* have since, for the only time in its history, been published: and they showed that during this period, when the paper contained a greater quantity of displayed advertisements than ever before, its circulation was steadily creeping up.

vertisements, if these are made sufficiently attractive; and the standard of merit in copy is always high in these publications. Another example, explained at some length in the fourth Lecture,¹ exhibits the unusual phenomenon of people actually buying a paper for the sake of the advertisements which it alone published. This phenomenon will be repeated in the future history of Advertising.

At least two devices already invented, and others which increasing attention to salesmanship speaking with the voice of the printed word must from time to time produce, will contribute to this. The two already invented are the use of colour, and that very important innovation, the signed advertisement.

Colour in Advertising is a very simple subject. Every improvement or alteration in printing processes leads to some development in advertising display. For a great many years before colour was so employed as to have any real value to them in press announcements, advertisers were hankering after some addition to the plain black and white of the newspaper. A few papers tried an attachment to the rotary press capable of inking some lines of the type with red or blue, in the same way as evening papers now sometimes carry a useless smudge of colour on the front page to mark the alleged time of the edition. (By this means the practised buyer is able to reject, after about 5 o'clock, anything dated earlier than 6.30.) But the crude effects obtained by advertisers from the colour-attachment in the country papers which used it were not encouraging. The printing was ugly and crude enough, without this added horror. Weekly papers in the sixpenny class were

¹ Page 173.

the first to print a back cover in the two colours used for the front. Presently, as half-tone colour-printing became easier, photographic engraving processes enabled an advertiser to have a full-colour picture on the back page of some weeklies. Earlier, the only way to have a coloured press advertisement was to print an inset: and insets were and are practically confined to the monthly magazines.¹

It is only a question of time, before even papers printed at high speed and in great numbers will be able to use colour acceptably. Civilisation will not long tolerate the horrible printing now thought good enough for the public in daily papers. Sooner or later, and in any case, before a great many years, the magnificent craftsmanship by which the *Saturday Evening Post* (a Philadelphia weekly founded by Benjamin Franklin) prints an edition of over two million copies on super-calendered paper² with vignetted half-tone illustrations and numerous advertisement pages in colours,³ will be applied to the production of daily papers. In the meantime, several high-priced English weeklies contain advertisements in colour, printed as part of the regular edition.

¹ They created some difficulty. A magazine which accepted insets would often be one that concealed its circulation. As the insets were printed and supplied by the advertiser, these magazines were faced by a dilemma. If they refused to say how many insets they could use, they would lose the business. If they gave this information, there was no way to keep the secret of the circulation. Some of them did keep it; and the late Mr. Barratt used often to publish, in the 'nineties, small classified advertisements offering a reward for any Pears' Soap insets of which embarrassed publishers were trying to rid themselves, having lied about their circulation and robbed A. & F. Pears by wasting costly insets to avoid being caught.

² That is, highly glazed paper, without the clay surface used for what are rather dubiously known as 'art' papers, and used for half-tone printing.

³ The *Saturday Evening Post* has not, at the time of writing, contained an advertisement illustrated by the three-colour photographic process.

In the very early future, Press-advertising will make great use of colour in this, the only efficient way. There will, of course, also be continuous improvements in block-making, and advertisers will be able to use illustrations far excelling those which now (as has been amusingly said) 'put the eyes into Advertising.'

Whether in colours or black and white, better pictures will undoubtedly be one feature of attraction for advertisement-readers. During the last ten years or so the use of drawings by artists of reputation has been increasingly frequent. Mr. Fred Pegram, Mr. Bernard Partridge, and other well-known men have crossed the line which used to separate art from advertisement, and have done good service to both. Even when they did not sign their work, they could not prevent its being recognisable. An artist cannot conceal his individuality so effectively as an author: the author has more strings to his lyre; his art is greatly more complex, his implement more flexible, his material richer and more varied. When (as sometimes happens) an author of reputation equal to that of the two artists whom I have named as examples writes an advertisement anonymously, few, if any, readers can identify him with the same certainty as thousands can identify the workmanship of a picture. There are still literary experts who profess to believe that Bacon wrote the plays of Shakespeare, and a great many who are not quite sure how much of 'Pericles' (if any) was written by the author with whose works it, and 'Titus Andronicus' too, are habitually bound. It is not surprising, therefore, that the authorship of an advertisement is not always self-evident. In practice, the work of an advertisement-writer is more often recognised

by his fellow-workers through typographical arrangement than through literary style.

Occasionally, in the recent past, something has happened which I believe destined to happen very often in the future : and that is, that advertisements have been openly signed. I do not mean that they will be very often signed by writers who have a literary reputation, as illustrations to advertisements are signed or made recognisable by draughtsmen who have an artistic reputation. It is more likely, and certainly more desirable, that advertisement-writers of character and talent should acquire a reputation with the public for their own work. A professional advertisement-writer ought to be able to write with ease better advertisements than those produced by the most brilliant amateur whose literary talent has not been trained to the uses of commerce. What publishers call a 'name' has, and ought to have, a great influence with the public. An author whose work has proved interesting or instructive obtains a following. Why should not advertisement-writers who prove by their practice that they will not uphold an unworthy or a dishonest business, and that they can write interestingly and usefully about products which the public needs, obtain a similar following ? I am acquainted with advertisers to whom signed advertisements of various kinds have undoubtedly brought a great deal of business : I know one, in particular, whose turnover was unquestionably doubled by a single piece of printed matter bearing the author's name. A signed announcement, either in the Press or elsewhere, has an unsuspected degree of commercial efficiency. In the advertising of the future, when advertisers in general

will have become aware of this fact, signed advertisements will become much commoner than they are now, and, by degrees, the names of advertisement-writers who can be relied on to produce interesting and useful copy will be remembered by the public.

Let me make quite clear this matter of the signed advertisement which will, if I am not mistaken, be a leading feature of future Advertising. Signed advertisements will not be what are called testimonials, any more than the speech of an advocate defending a prisoner is heard by judge or jury as if it were a part of the evidence. Counsel's addresses are not evidence; they are only expositions and interpretations of evidence. Only to a very limited extent does a barrister's personal honour enter into consideration: it is taken for granted that he will not play tricks with the Court, or seek to hoodwink the Jury by 'opening' evidence that he is not prepared to produce in the witness-box. But he is not expected to tell the Bench that the prisoner's personality is not to his taste. Similarly, an advertisement-writer will not be more identified with the advertiser's interest, than a barrister with his client's case: to put the point specifically, he could quite legitimately describe the excellence with which cigarettes of a given brand were made, and the care with which the leaf was selected and prepared, though he himself smoked a pipe while he wrote, and personally abhorred cigarettes of any kind.¹

¹ At the same time, if he believed cigarette-smoking, or smoking in general, to be injurious or demoralising, a tender conscience would forbid him to profit by recommending the practice. There are advertising men to-day who will not handle the account of a distiller or any producer of alcohol. Money-lenders' advertisements are declined by many newspapers. It is regrettable that bookmakers' advertisements are accepted by any newspaper; and the time will come when these, too, will be rejected.

And this point of view illustrates precisely another characteristic of advertisement-copy in the future, whether it is signed or not. There are abundant indications already of the coming change. Advertising of the past and present has been altogether too much concerned with, as I put it in one of these lectures, telling the public what the advertiser thinks of his goods. Advertising in the future will be a great deal more concerned with telling the public facts about the goods, by the aid of which the public can make up its mind whether to purchase the goods or not : and advertisers (with 'service' more and more in mind) will not wish anyone to purchase goods that are not likely to give him satisfaction and advantage. Thus, there will be nothing invidious about the position of an advertisement-writer who signs his work. He will not be publishing his opinion of the product advertised. He will present, in the most attractive way that he can, the facts about it.

Will future Advertising be concerned with certain things now considered to be improper subjects of advertisement ? Will doctors, lawyers, and other professional men and women, advertise ? This opens up a wide field of speculation. Objections against the advertising of professional services are, presumably, based on two considerations. The first is that, as Advertising was and is, nothing could restrain an unscrupulous doctor or lawyer from publishing false claims to professional competence. The second consideration is, that a professional man's success might be determined, not so much by his skill, as by the amount of money at his disposal. The son of a rich man, when he began to practise, and before he had had time to gain experience, could command

a certain amount of work by advertising himself with his father's money. And it is rightly urged in support of both objections, that the public is much more injured by employing second-rate professional services, than by buying goods that are not quite up to the mark. Thus, it is said, that although the improved standard of advertising-morality must moderate the claims of professional men who advertised, the handicap suffered by a man of real genius who was poor would operate to the disadvantage of the public, if this advertising were permitted.

The fact that, as things are, the public is not completely safeguarded, does not make any difference. In any event, a rich man, starting professional practice, has much more prospect of success than a poor man of equal ability. A barrister whose father's solicitors have a big business (or who 'falls in love with a rich attorney's elderly, ugly daughter') has an opportunity to show what he is worth. A young surgeon whose father is an eminent consultant can have a great many 'cases' put in his way, and, if competent, will soon be independent of the paternal patronage. A much cleverer orphan, in the same profession, would have to wait years for his chance. But that is no reason why a wealthy incompetent should be permitted to gain his experience at the expense of the public, and perhaps prove himself, after being the cause of great suffering or loss, incapable of learning to do better. It does, in fact, matter a great deal more, that a professional man should be able to succeed undeservingly, than that poor merchandise should be sold. The true solution of this problem is, that if Advertising does eventually reach so high a moral standard as to

preclude any sort of unworthiness, and not otherwise, professional men and women can begin to advertise. The superior opportunities of the man with money will not then be a public disadvantage: since however much money he may possess, he cannot overstate his own case. The poor man with talent will be in a slightly worse position than now, but not much worse. Indeed, his position could not easily be much worse than it is.

The improvements in Advertising, both moral and material, here foreseen, would necessitate, even if it were not certain that they would result from, a fuller recognition of Advertising as a profession in itself. It will be proper to conclude this rather desultory historical and prophetic disquisition with a brief notice of the way in which Advertising has been learned in the past, and will be taught in the future.

It is the worst organised and most unsystematic business in the world. As I showed in the sixth Lecture, young people almost always drift into the advertising department of a business by accident, and pick up their knowledge as and how they can. Advertising is, in fact, the last of the traditional callings. I do not forget several 'correspondence' courses by which the business is made easier for a novice to pick up. A novice can, in fact, learn from the best of these courses a good deal which will be useful to him. He can acquire the superficial knowledge of printing with which an advertising-man cannot dispense. He can learn how to put on paper any ideas which he may have about the disposition of type in an announcement or a pamphlet. He can learn the general laws of copy-writing, and of the choice of the *media* and modes of advertisement. He

will be a great deal more useful to his superiors, when he goes to work, than if he had not had the surface of his ignorance thus rubbed down a little. But he will not be a finished advertising-man until he has absorbed the traditions of the business, and through them learned to think constructively of salesmanship in print. These traditions and the learning referred to are unprinted and unformulated, for the most part. A few courses of lessons have been given, and have been well attended, at continuation schools. The late Mr. Whitebrook and, more recently, Mr. Freear, have conducted such classes with marked ability. But there is no organised teaching by which a student can begin a course, carry it through to the end, and pass on to higher courses until he has a complete theory at his disposal, and would be able to take charge of an advertising department as soon as he had had time to study the inside policy of the business which it served. An advertising-man, in fact, has to grow up in some business house before he can become fully equipped. There is no school but experience. The consequence is that only exceptional persons of business can be induced to look upon Advertising as anything but a superior form of gambling.

Through its School of Economics and Political Science, the University of London may be said to have extended to Advertising a certain academic recognition. The course of lectures which I was honoured by being permitted to deliver, and an earlier course at the same school by Mr. E. Walls, were the first important examples of such recognition on this side of the Atlantic. The London Chamber of Commerce examines in Advertising, my friend Sir

Hedley Le Bas having set the papers. The Council of the Incorporated Society of Advertisement Consultants contemplates a system of examination to be extended to candidates who will not be members of the Incorporated Society. But Advertising has not achieved in this country, and certainly not on the Continent, the same recognition as it has received from several Universities of the United States. Perhaps the day is still distant when a degree in Advertising will be anywhere conferred. But as the economical, ethical, and commercial advantages of Advertising become a little more fully developed, I think there is no doubt that the subject will be taken more seriously, and that the public interest will thereby be in very important ways subserved.

LECTURE I

THE ECONOMIC JUSTIFICATION OF ADVERTISING

Ancient prejudices dying—The new era in Advertising—The word 'advertise': its history—Advertising defined—Influence of Advertising in removing an objectionable secrecy—Modern reforms in advertisements traceable to the United States—The Printers' Ink Statute—Economics of Advertising—Advertising and its opponents—The influence of Advertising on prices—On new inventions—Economic usefulness of Advertising in standardisation of products—And in reducing expense of distribution—What retail prices are composed of—Advertising enlarges the market—Statistics of consumption of cocoa in Britain and tobacco in the United States—How advertising shortens the path of the product—Cutting out the middle-man—Proportion of advertising to sales—Advertising as a waste-preventer—Sale of by-products made possible by Advertising—If there were no Advertising ?

THE author of 'Peter Pan,' in one of his enchanting stories of Scottish life, describes a certain club 'shorn of its more respectable members,' while the rest 'drew the blinds close and talked openly of Shakespeare.' In times not so very long past, it would have required some temerity, in these academic halls, to broach the subject of these lectures. The times are changed, and I need not draw down the blinds to talk openly about Advertising.

Prejudice dies hard, but it is dying. Advertisements were once a mere by-product of the newspaper—inserted, if there were room, in some odd corner. To-day the newspaper is, in its commercial aspect as a matter of pounds, shillings, and pence, a by-product of Advertising. Hardly any newspaper could exist without the advertisements which earn the greatest part of its revenue. Thanks to Advertising, readers of newspapers, magazines, and periodicals receive for the price of printing, and

sometimes only a mere fraction of it, valuable instruction, public information, fiction suited to all tastes (good and bad), and some really wonderful illustrations. In all its forms, Advertising has an annual value in this country which I have, without contradiction, publicly estimated at £100,000,000 a year. I do not hesitate to affirm that the enormous growth of Advertising, and the public benefits which I have mentioned—its by-products—are entirely due to the discovery that useful and legitimate advertising is the only kind that is profitable.

This art of legitimate advertising has not long received anything like general recognition, and it has still its unconverted critics. At the beginning of the new era, while the art was in the throes of birth, it had to battle with the prejudices of prenatal times. A certain furtiveness, struggling with blatant and noisy vulgarity, still hung about it. The quarrel is not yet fully composed. And all the while, imperfect, undeveloped, though gradually realising where true success lay, gradually cleansing itself of its soiled past, the business of Advertising laboured under some suspicion of its honesty.

I think the transitional period is over. In our day, Advertising has come into its own. Men of high character and business houses of the first reputation have availed themselves of it. We have lived to see Governments soliciting its aid, war waged with this weapon, and the sinews of war collected through advertisements very unlike the old style of official, and even of financial, prospectuses. In ten months no less than £1,000,000,000 sterling were obtained from the public for National War Bonds and War Savings Certificates through ad-

vertisements published under the direction of my friend Sir G. A. Sutton. The great extension of modern advertising would hardly have been tolerated by public opinion if commerce had not already shown by practical example that the best way to make advertising succeed was to make it irreproachable. I think we need not fear that fraud will ever again be the frequent purpose of Advertising, or vulgarity its implement. Advertising, the Cinderella of the business world, has met the fairy godmother and learned to wear the shining garmenture of truth. No stroke of midnight will strip her of that fine array. The hands of the clock will move forward without arresting her beneficent progress.

If we look back at the history of the word, 'to advertise' means just what in its best expression it means to commerce. In the sense of to make known something, or to attract the attention of someone, 'advertise' occurs twice in the Authorised Version¹ of the Bible, and, with its inflections and derivatives, thirteen times in Shakespeare. The famous tag from the *First Part of King Henry IV*, 'Yet doth he give us bold advertisement,' merely means that he clearly informs us.²

The earliest example that I have been able to trace of the word in its limited commercial sense

¹ The word 'Advertise' was at first an alternative form of 'Advert' (Latin, *advertere*, to turn to, direct). One of the references in the Bible has an oddly modern effect when read apart from the context—Ruth iv. 4: 'And I thought to advertise thee, saying, Buy it.' But the previous verse shows that the sense is 'I thought to draw your attention to it.'

² In Shakespeare, the word is accented on the second syllable—advertise, advertised, advertising. In the north of Ireland and by some Scotsmen it is still so pronounced. The abstract noun is similarly scanned—advertisement. Those Americans who make the 'i' long—advertise'ment—and imagine that they are preserving the classical usage are therefore mistaken.

is in the *Spectator*, 1712.¹ I should like to call the announcing sense of 'advertise' the modern meaning as opposed to the obsolete use of puff and exaggeration. But here, we shall find cross-classifications. Some of the old advertising was excellently simple and honest. There is still some current advertising which the serious student of the art would like to forget. But 'modern' is an unsatisfactory word at the best. To the historian, it connotes the period since about 1453; but few of us think of Edward IV as a very modern monarch: and modern music can be dated, according to taste, from Bach, Handel, Wagner, or César Franck. I would rather fix the dividing-line according to manner, counting as 'modern' the kind of advertising which conforms to modern standards, irrespective of its date. In the year 1904, when the editorial columns of *The Times*, by publishing some articles of mine on the subject, first showed evidence of having observed the adjacent columns of advertising, I adopted the term 'Commercial advertising' to denote (as defined in a preface to the reprint subsequently published by *The Times*) 'the type of business announcements having demonstrable public utility.' This 'com-

¹ Steele, *Spectator*, No. 521 (1712), has: 'He has desired the Advertiser to compose himself a little before he dictated the Description of the offender.' The *Public Advertiser* (the journal in which the Letters of Junius appeared) was so called from the news columns in which it 'advertised' the public of events, and not from any commercial announcements; but Junius, Letter LXVIII, says of a quack: 'He advertises for patients.' Horace Walpole, *Correspondence*, vol. ii, p. 374 (third edition), has: 'A citizen had advertized a reward for the discovery of a person who had stolen sixty guineas.' It is easy to see how advertising—that is, giving notice of—a reward, or of anything else, being extended to announcements of goods for sale, might push the more general use of the word 'advertise' aside, and give it the specialised meaning which survives. Well up to the last quarter of the nineteenth century, however, references to earlier editions often appeared at the beginning of a book, with the heading 'Advertisement,' in quite the old sense.

mercial' Advertising has been rather generally accepted as a conventional term.

Suppose we leave definitions at this—that Advertising means making known the truth about some commercial subject. In its best and most profitable expression, it means just letting light into the dark places of business. It allows the purchaser to know who is behind the goods. I will give you examples. If you go into a music-shop in the provinces, you will very likely find pianos bearing the name, as maker, of the shopkeeper. Now a country shopkeeper does not make pianos. He has not the machinery. He has not the knowledge. He has not the space. The piano is made in a factory somewhere, by a maker who sedulously conceals his name from the public, and puts on it the misleading imprint of any retailer who will buy from him. Again, if you buy a collar, you will find on it, more often than otherwise, not the name of the maker, but the name of the man who sells it—sometimes with the false statement that it is 'manufactured' by him. Factory-made bicycles bear transfers with the name of the retailer. Grocers who buy all their tea ready for sale, each quality separately made up for them, say on their windows that they are expert tea-blenders.¹

In all these cases, the truth is being hidden from the public. The moment Advertising steps in, concealment vanishes. Broadwood pianos, Radiac collars, Raleigh bicycles, Brooke Bond's tea, reveal their origin. There is a reputation behind them which

¹ Of course there are certificated grocers who could blend their own teas, and if they trade on a very large scale do actually possess the machinery and knowledge to do their own blending. But there are not many grocers who do this,

it is profitable for the advertiser to sustain by good quality. Is not this a good thing for the public ?

And just as Advertising counteracts the evil secrecy which is a blot on many kinds of commerce, so also it tends to correct unnecessary secretiveness in other ways. Quite unreasonably—for they have less to conceal than any other people in the world—English men of business behave as if every detail of their work contained a guilty secret. They live in an atmosphere of perpetual suspicion. A question alarms them. They imagine that their competitors are ever seeking to learn their secrets.

The fact is, that (a few secret processes apart) the more a man's business is known, the better for him—if his methods are honest. And the one way to be sure that no improvement will pass you by, is to be generous in sharing your own experience. Our American cousins are broader-minded. Not long ago, I read in one of their technical journals a paragraph about a business house in Rochester, New York. This company had introduced a new method of managing a number of its retail shops. The paragraph ran thus :

The Duffy-Powers Company, of Rochester, N.Y., whose 'self-serve' adventure has been given much publicity, is receiving so many inquiries about the plan that it has found it necessary to issue a book, giving all the desired information. More than one hundred merchants from every part of the United States have visited Rochester in person to investigate the possibilities of this new method of retailing.

These people had invented a new and profitable business method. They realised that it was impossible to keep a thing like that a secret. When other firms—their possible competitors—heard of it,

these did not hesitate to ask for details, and the company actually went to the expense of printing those details for their benefit. It is because Advertising is so much more completely the life and soul of business in the United States, that information is as plentiful there as it is scarce here.

Thus, when we come to discuss practical methods of advertising, we shall find that our whole effort is to find out how to make the truth about our goods as widely known as possible. As Shakespeare says, 'An honest tale speeds best, being plainly told.'

It will hardly be profitable to give more than a glance at the historical aspect of Advertising. I shall spare you the customary delvings into the classical period, the reference to a 'reward' advertisement in Pausanias, and the notices affixed to statues of the infernal deities by the Greeks. In those days there really was something sinister about Advertising! It is best to pass over the advertisements of gladiators, unearthed at Pompeii, and the licensed criers of the Middle Ages, and come to the time when the history of the Advertising, which I have called commercial, began. You are not to suppose that there were no honest advertisements in the old days. But the slow decay of exaggeration in the last fifteen years or so of the nineteenth century, and the gradual recognition that nothing sells goods so quickly as telling the truth about them, mark an era of real progress.

In flagrant contrast to all popular ideas on the subject, I think there can be no doubt that this great reform had its birth in the United States. In 1888, the late George P. Rowell, an American advertising agent, founded the first technical journal of the

advertising business—*Printers' Ink*. He taught, as his editor, Mr. John Irving Romer, still teaches in the same pages, that if Advertising was to have an assured future, the vices of exaggeration and misrepresentation must go. After many years—as recently as in the present century—an effort was made to obtain legislative protection for the public and for the honest advertiser against the competition of the unscrupulous. A model statute, which came to be known as the *Printers' Ink* Statute, was drawn up, and has been adopted with or without amendment by the State of New York, in thirty-eight other States in the Union, and in the District of Columbia. Many States provide special penalties of fine and imprisonment. In some States newspapers and advertising agents are penalised as well as the actual advertisers.¹

¹ The operative clauses of this Statute as originally drafted are as follows :—

'Any person, firm, corporation, or association who, with intent to sell or in any wise dispose of merchandise, securities, service, or anything offered by such person, firm, corporation, or association, directly or indirectly, to the public for sale or distribution, or with intent to increase the consumption thereof, or to induce the public in any manner to enter into any obligation relating thereto, or to acquire title thereto, or an interest therein, makes, publishes, disseminates, circulates, or places before the public, or causes, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in this State, in a newspaper or other publication, or in the form of a book, notice, hand-bill, poster, bill, circular, pamphlet, or letter, or in any other way, an advertisement of any sort regarding merchandise, securities, service, or anything so offered to the public, which advertisement contains any assertion, representation, or statement of fact which is untrue, deceptive, or misleading, shall be guilty of a misdemeanor.'

At the same time, and earlier, Mr. Rowell and his successors fought a great fight for another element in advertising-honesty. They demanded that newspapers should disclose their circulation-figures, and established a newspaper directory in which the circulations of newspapers which had revealed their figures were distinguished. The movement in favour of disclosed circulations has been carried on in this country with less success, but not without a great measure of success. The Advertisers' Protection Society was the pioneer, and of late years the most largely circulated daily papers, and even *The Times*, have published accountants' certificates, showing not merely circulation, but net sales. The same policy has been pursued by a certain number of weekly papers and magazines. I believe the first paper to make net sales the standard was *London Opinion*.

While it is only in the United States that this legislative sanction has been given to advertisements suffered to appear, the law of all countries gives validity to advertising-contracts, recognising and enforcing claims for moneys spent or contracted for. Commercial advertising has a legal status, as long as it is honest. But a contract for advertising which could be shown to be fraudulent, or even exaggerated to an extent calculated to deceive the public, would not be enforceable, and in a case within the last three years such a contract was declared void by the High Court. In this principle we have the germ of future regulation of advertising. When the advertising community has fully realised the intimate manner in which the prosperity of its business is bound up with probity and veracity there is a means at hand by which all advertising can be brought into line. And it is becoming more and more realised by advertising men that the residuum of fraudulent and otherwise objectionable advertising which still unfortunately exists is injurious to reputable and worthy advertisers. I will not labour the point further. The moral standard of Advertising has risen, is rising, and will continue to rise. It is the interest of advertising men to help it on its upward course, not for ethical reasons alone, but for commercial reasons also.

But there would be little justification for the expenditure of a hundred millions a year in advertising, if the only effect of this expense was to increase the profits of advertisers. Not in war time alone, but in all times, waste of money injures the whole community, and not only the person whose money is wasted. If the labour purchased by these hundred millions were employed in production of commodities,

the quantity of commodities would be *pro tanto* increased, and competition would reduce their price. Therefore we shall not justify the business of Advertising unless we show that it is in itself productive and has other economic justifications. I detain you for a few minutes with critical and constructive proof of this, because the fact has been somewhat vehemently denied.

The case against public Advertising as stated by its opponents has three elements which I think may be fairly summarised as follows :

1. Advertising is inseparably bound up with exaggeration, misrepresentation, and overcharging

2. If Advertising did not exist, commodities of equal value would be obtained by consumers as plentifully and as cheaply.

3. The cost of Advertising must be added to the price of goods, and therefore advertised commodities are unnecessarily dear.

1. With the first of these allegations I have dealt pretty fully in my opening remarks. Anyone acquainted with the commercial history of the last forty years knows that it is not true. The same persons who allege that exaggeration, misstatement, and gross overcharging are probable features of publicity would scout the idea that a man could keep shop on any such principles. It would be instantly obvious to them that a tradesman who pushed his sales by deception, and inflated his profits by overcharge, could not long keep the shutters down. Yet advertisement is, after all, directly or indirectly, only an adjunct to shopkeeping on the large scale. It is no more possible for trade to be maintained by false statements circulated by advertisements, than

by word-of-mouth falsehoods uttered across the counter. Indeed, it is much more difficult. A spoken statement may be retracted or explained away. The printed word remains.

With the third contention—that Advertising makes advertised goods dearer—I shall deal constructively in the second part of this argument. It can be shown beyond question, by principle and by practical example, that the reverse is true. Advertising has a general tendency to make at least staple goods cheaper. The second point alone requires consideration at this moment.

‘If Advertising did not exist, commodities of equal value could be obtained as plentifully and as cheaply.’ This is the most formidable indictment of the three.

The answer to it is, that many desirable commodities would not be produced at all, if Advertising did not exist, to provide a sufficient market for them. Modern Advertising justifies itself economically by its function of bringing knowledge of desirable merchandise to the consumer of it. To create a new want is justifiable and useful where the standard of living is raised by it. No one would die if the telephone were abolished. But the telephone raises the standard of convenience. A civilised man differs from a savage just as much by his wants as by his inventions. Savages do not want to clean their caves. If mechanical carpet-sweepers, like the Bissell, had not been advertised, the housewife would have been still content with the laborious and ineffectual broom. They could not have been introduced without Advertising. A safety-razor not only cuts less, but also shaves better and closer than a

razor of the old type ; but the safety-razor was at first a rare and clumsy adaptation of the old-fashioned knife-blade razor, so inconvenient that hardly anyone used it until safety-razors of the Gillette type were advertised.

But the vacuum-cleaner or the player-piano is a better example. These things are not essentials of life ; but neither are shirts, collars, or even trousers. It was pleaded on behalf of an infant-in-law—that is, a young man under twenty-one—that two dozen pairs of trousers, for which a tailor was suing, were not necessities. The judge remarked—perhaps irrelevantly—that though trousers were in truth not necessary, they were a great luxury in this climate. Now it is certain that the only way to make the vacuum-cleaner, which is a great labour-saver, and the Pianola, which is a source of much innocent happiness, at a practical price, is to make them in great numbers. The small parts of which these machines are composed would be very expensive to make by hand. Special machines and tools, costing a good deal of money, must be made to turn them out by the thousand. But it certainly would have been very hazardous to instal this machinery, unless a quick and an assured market could be foreseen. The only way in which the cleaner and the player-piano could be sold quickly, and at low selling expense, is by advertising them, so that the machinery could be operated economically and earn interest on its cost. If the inventors waited for the tardy growth of demand through recommendation, finance would eat up all the profits ; unless the goods were sold at a heavy price they would cost more than they fetched. It is therefore certain that these com-

modities would not be produced (in the words of the indictment) so plentifully and so cheaply, without Advertising.

The framers of the objections against Advertising have not, so far as I know, taken up the much more plausible—though by no means valid—objection with which I supplied them a few moments ago. The question whether the large sums of money spent in advertising employ labour which could be better employed in production, is academic rather than practical. You cannot condemn Advertising on this ground unless you are also prepared to abolish fireworks, jewellery, toys, theatres, billiards, beer, tobacco, and every other sort of unproductive merchandise. It is just as true to say that bread and coal would be cheaper if there were no diamond rings and motor-cars, as it is to say that they would be cheaper if there were no Advertising. In fact it is true that diamond rings and motor-cars do, in a sense, affect the price of food. They employ labour which might otherwise be used for food-production. But it is not true that Advertising affects the price of food, except by making it cheaper and more ‘filling at the price,’ as I shall presently show.

I hope to have answered the case against Advertising which might be founded on this argument with sufficient fulness by these examples to satisfy all consciences.

Let us now come to the constructive case in favour of Advertising. An important element in this case is the fact that Advertising standardises the quality of goods. I have shown that many new inventions could not be introduced at all unless they were advertised, and presently I shall show that

Advertising, so far from enabling manufacturers to charge too much for their wares, makes it profitable for them to sell their wares more cheaply. But when we use the word 'cheaply', as here, we ought to remember what 'cheap' means. No doubt you can buy cocoa cheaper than Cadbury's, or oatmeal cheaper than Quaker oats. You can get—or you used to be able to get—German silk that seemed very cheap indeed, weight for weight, compared with English or Lyons silks, and even with ladies in the audience I will venture the opinion that these silks, artificially weighted with gum and certain salts of tin, were not really cheap. But as there is little or no advertising by manufacturers of silk, there is no standard of quality. Where there is a standard, you will not find that staple commodities are any cheaper for not being advertised. Advertised packet teas are generally a little superior in quality to teas which can be bought from bulk at the same price. Advertised food-stuffs, condiments, textiles, boots, soaps, and other commodities, cost no more than others: some of them cost less: and the quality of them all is standardised. Competition forces an advertiser to compute the expenses of advertisement as a trade expense, and not as an element in prime cost. What competition cannot do to an advertised product, is to degrade the quality of it, because the moment a thing is advertised, self-interest compels the manufacturer to keep the goods up to standard.

But where the public has no means of identifying the product, the tendency of competition is to cause a fall in quality. Retailers naturally favour the producer who will leave them the largest profit, or charge them prices which enable them to undersell

their rivals. The manufacturer who sacrifices part of his own profit to compete for their favour only steps upon a sliding scale. At the bottom of it is adulteration, or, at best, the adoption of inferior materials, which leads to new competition. The consumers of his goods do not identify them. They buy what is cheapest, and even if they do not, there is no standard by which they can satisfy themselves that dearer grades are worth the advance. A consumer may be injured without ever knowing it. One unadvertised flour may be a great deal less nutritious than another, though the two may not be distinguishable by physical tests such as the consumer could apply. An invalid wrapped up in unadvertised and adulterated flannel may suffer grievously in health; but he cannot readily distinguish cotton from wool. It is to no one's interest in either case to supply analyses, and even if such analyses were supplied, they would have little meaning except for a professed student of hygiene. But the case is different with an advertised article. It will then commonly be to the interest of the manufacturer to publish some facts and explanations about his wares. In other words, the consumer of an advertised article is protected by the interest of the manufacturer, and the consumer of an article which is sold without being advertised is not. He does not know where the goods come from, and the only thing he can do, if he is not satisfied, is to go to a different shop, where very likely he will get the same goods! It is a remarkable fact that the advertised goods on which the largest profits are made, are precisely those on which the individual profit per sale is lowest.

One reason why advertised goods, despite the

heavy expense of advertising, are not dearer than the others, is rather apt to be overlooked. A manufacturer, who, by means of advertisements, is able to increase the scale of his business, produces goods at a lower factory-cost, for a greater output is accompanied by economies in manufacture; so that an expenditure in advertisements, calculated to be recouped by profits on an existing scale of production, which presently makes a market for increased output, is much more than merely a propulsive force. It becomes a productive force, increasing the capacity of the manufactory, and rendering possible the employment of additional plant. Rates and taxes, interest on the cost of machines, buildings and land, and the expense of insuring them, with many other costs, are just as heavy when the factory is working only eight hours a day as when it is working with three shifts and the machines never stop, day or night. These fixed costs have to be spread over the output. If the output increases, the cost of it falls. This is very elementary, of course.

But I shall not have proved the case in favour of Advertising as an economic force unless I show that it enables the consumer to buy more cheaply than he otherwise could. Surely, it may be said, if a man spends thousands of pounds a year in advertising a thing like cocoa or laundry soap, he could reduce the price by stopping all this expense, and deducting the amount of it from what he charges for his wares. But in the first place (as I shall show in a subsequent lecture) these staple articles, sold cheaply, cost very little to advertise in proportion to their sale-value. It would not be easy to take 3 per cent. off the price of a threepenny bar of soap,

or a sixpenny tin of cocoa, even if you could save 3 per cent. by not advertising. In any event, the cost of pushing the sale by travellers and giving large profits to retailers as an inducement to promote the sale of brands which the public did not ask for, would bear a far greater proportion to the selling price than the advertising expenditure—even though this were £100,000 or £200,000 a year.

This contention makes it necessary to ask exactly how the retail price of any commodity is arrived at, what are its components, and wherein these component elements are capable of adjustment.

How, then, is the cost of anything which you buy made up—the price of a potato or a piano, a collar or a carpet, a sewing-machine, a typewriter, or a packet of cocoa, or a pound of steak? The price is not made up merely of the cost and the profit. It is made up of the cost of making or producing the goods, and the cost of conveying and selling them to you.

A fruit-farmer in Kent was paid, last August, seven shillings a bushel—less than twopence a pound—for a crop of apples. They were not of the choicest kind, but similar fruit could not be bought at the time in London for less than a shilling a pound, retail. It cost more than five times the actual price paid to the producer of apples to get these goods to the public—including middlemen's profits!¹

The difference between what apples brought the grower of them, who was about the worthiest person

¹ *Daily Chronicle* (August 24, 1918).

concerned in the business, and what the apples cost at the greengrocer's, represents selling expense—unaided by Advertising. You may say that this is an exceptional case. But is it? Before the War there were roughly two classes of sewing-machines. One class cost about £6. The other cost just under £3—£2 19s. 6d., or something like that, the odd price being adopted for the suggestion of cheapness, like the draper's 11 $\frac{3}{4}$ d. It is long since the patented sewing-machines have been extensively advertised, and most of the £6 machines are sold through agents and canvassers. The other kind—mostly, I fear, German imitations of expired patents—were advertised, on quite a small scale. But this small advertising enabled the importers to sell them at half the price of some unadvertised machines. I will offer no opinion as to the merit of the respective machines, beyond saying that both kinds appear to give satisfaction.

Ignoring freight, which has to be counted in the cost anyway, the retail price of a sewing-machine, or anything sold to the public in the ordinary way, is made up of five items—the factory- or production-cost of the article, the cost of selling it to the shopkeeper, the manufacturer's profit, the retailer's profit, and the cost of selling it to the consumer. The first of these, factory-cost, is made up of raw material, labour, and rent. The second, the cost of selling goods to the retailer, will very likely include commissions paid to a jobber or middleman, the goods being bought of the manufacturer by a middleman—the Manchester warehouseman, the wholesale druggist, the wholesale grocer, and so on. Or they may be sold to the retailer direct—

more often thus when they are advertised than when they are not ; but there is as yet no absolute rule. Advertising *tends*, however, to cut out the middle-man, and the middleman is theoretically an economic waste, though he isn't really always that in practice. Other selling-costs to the trade are travellers' and sales-managers' salaries, samples, and various kinds of organisation. The third item, the manufacturer's profit, depends on several things. If he has a patent, or uses patented machinery of which the rights are vested in himself, he may obtain a reward for his ingenuity as an inventor, or his enterprise in buying an inventor's rights. If he has to compete in the open market without advertising to the public, his profit will be determined by the smallest profit with which any one of his competitors is contented. If he has an advertised trade-mark, he will obtain the reasonable competitive profit on a standardised quality of his goods, and they will not cost the consumer any more because they are advertised, for reasons which will develop partly now and partly in my fourth Lecture.

The fourth item is the retailer's profit. This varies a good deal in different trades and on different goods. It is important to notice his gross profits as well as his net profits. Before a single yard of calico or a single ounce of tea has been sold, it has cost the draper or the grocer more than the price that he pays for it. The retailer's profit is not the difference between wholesale price and retail price. It is this difference, diminished by what it costs a retailer to keep shop. If he keeps proper accounts, he adds up at the end of the year all the expenses that are not directly proportionate to sales. He adds up

rent, rates and taxes, light, water, assistants' wages, cleaning, deterioration of fittings, bad debts, book-keeping and so on; and most likely, though they are more directly proportionate to sales, he adds up paper, string, and expense of delivery. When he has made a total, he works a sum in proportion and sets down the fact that his overhead expenses, as they are called, are so much per cent. It is said¹ (for example) that a grocer's overhead expense is somewhere about 15 per cent. Now if a grocer's average gross profit on turnover is 20 per cent.—and I am told it is a little under this—obviously his net profit is not very large. He must pay himself for his devotion to the business, because if he did not stand behind the counter himself he would have to pay some one else to do it. He must also provide for interest on his capital (whether it is all his own or partly represented by an overdraft) before he can be said to have arrived at his real gains—the gains out of which he must live and educate his children, set aside a little something for old age, put a shilling in the offertory on Sundays, and contribute reasonably to public and private charities. But however little is left to the retailer, it is obvious that all the overhead expenses, as well as all his profit, have to be included in the price charged for goods.

¹ Mr. C. L. T. Beeching, F.G.I., secretary of the Institute of Certificated Grocers, kindly showed me a form of trading and profit-and-loss account published in the *Grocer Diary*, which puts the gross profit at 15·4 per cent. on sales, and expenses at 8·4 per cent. He tells me that in his opinion this estimate was a little sanguine, even in the best days, and predicts that in the future, a single-shop grocer will have to spend the figure named in the text (15 per cent.), which means that he must get 22 per cent. gross profit if he wants to make the 7 per cent. net allowed him in the *Diary* quoted. The quicker turnover of advertised goods, and the fact that most of them bear a protected profit of 25 per cent. or upwards, obviously helps the grocer.

Thus the fourth and the fifth elements in retail price—the shopkeeper's profit and his selling-expenses—are really combined in one item, which is the difference between wholesale price and retail price. But by giving prominence to goods which are advertised and therefore sell quickly, and by advertising his own shop to bring more customers to the counter, the retailer can increase his turnover. His overhead charges will not increase in proportion. Consequently, he will be able either to make more profit for himself, or else charge the public less. Unless some artificial restraint enables him to charge more, competition will compel him to charge less. If there is artificial maintenance of price, competition will compel him to give better service—quicker delivery, better and more numerous assistants, a more luxurious shop, and so forth—all of which are benefits to the public.

Where does this bring us in relation to Advertising and the price of goods? It brings us just here. An advertised article is demanded by the public. Its sale is assured. It costs less to sell to shopkeepers. The manufacturer has no occasion to send out highly-trained travellers to induce retailers to stock it. All he has to do is to give them such service and credit as will make them trade with him. Where goods have to be sold to the trade by persuading the middleman and the retailer to push them, the expense of this persuasion has to be borne by the consumer. In the retail shop, the shopkeeper must find customers for the unadvertised article; but the customers come asking for the advertised article. The money invested in it turns over more quickly; and a retailer can better afford to sell at 15 per cent. gross profit

an article of which the whole stock is cleared and renewed four times a year, than he can afford to sell at 50 per cent. profit an article that only sells out once a year. Obviously it is an economic waste for the overhead expenses of a shop to cover a smaller turnover than the shop is capable of handling; and this economic waste tends to be reduced if the turnover is made larger by advertising.

This is true not only of advertisements paid for by manufacturers to promote the sale of their goods, but also of advertising by the shopkeeper himself to bring people to the counter; and you have only to turn your eyes to the daily papers in order to see that the heaviest advertisers are not the court dressmakers, the Savile Row tailors, the Bond Street jewellers, and the other shops where the prices are high and business slow, but the shops where the people go for their food and raiment, to get the big values for their money—the Selfridges, Sainsburys, Liptons, Pearks's, that have the quick turnover and the busy shops. The time when the popular drapery shops advertise the most, is (in fact) when they reduce their prices because they want an extra-quick turnover, to clear their shelves by means of the January and July sales. The saving which wide-awake housekeepers effect through these periodical sales, and through Mr. Selfridge's almost daily bargain offers, are only made possible by Advertising, and they represent a real reduction of price, not by cheapening and impoverishing the quality of goods, but by selling the same goods cheaper than usual, through selling them in enlarged quantities.

And similarly in manufacturing, big production

means lower overhead charges and fuller use of machinery, enabling goods to be sold cheaper in competition without lowering the standard of quality. I can give you an example of how this affects the public almost at the door. Go down the Strand to the nearest A.B.C. shop, and you will find on the tariff two kinds of beef-tea. One kind, described as made by or for the Aerated Bread Company, is 4*d.* a cup. Bovril is 3*d.* a cup. Large advertising and large production save you that penny. It cannot be said that the advertising of Bovril is an economic waste.

What might with more show of reason be said is that as the number of people who can drink beef-tea or cocoa, or smoke cigarettes, is limited, the expenditure of money by competing manufacturers of these articles cannot serve any other end than that of directing trade from one of them to another. But the fact is that though the number of potential consumers only increases, normally, with the growth of population, the advertising of any one brand in any class of goods has an odd way of increasing the total consumption of the whole class of goods. I mention cocoa and cigarettes as examples for the corrupt reason that I happen to have figures relating to these articles. These figures show the increase in imports of raw and prepared cocoa between 1889 and 1916. About the beginning of that period a new advertiser of cocoa appeared on the market, and his advertising caused the old Quaker houses to increase their advertising very considerably, to meet the danger which they apprehended from the new and aggressive advertising. The effect was as follows :

IMPORTS OF COCOA INTO THE UNITED KINGDOM

| Year. | Pounds. Raw Cocoa. | Pounds prepared Cocoa or Chocolate. |
|-------|-----------------------|--|
| 1889 | 26,509,791 | 2,139,590 |
| 1890 | 28,112,210 | 2,473,423 |
| 1891 | 31,282,598 | 2,748,383 |
| 1892 | 30,839,525 | 2,538,460 |
| 1893 | 32,982,005 | 2,740,571 |
| 1894 | 39,115,963 | 2,852,104 |
| 1895 | 42,769,307 | 3,058,850 |
| 1896 | 38,281,803 | 3,846,025 |
| 1897 | 34,533,381 | 9,068,176 |
| 1898 | 42,833,993 | 8,127,191 |
| 1899 | 43,473,281 | 5,262,394 |
| 1900 | 52,647,318 | 7,860,966 |
| 1901 | 51,798,802 | 8,390,286 |
| 1902 | 58,137,364 | 8,748,353 |
| 1903 | 50,004,705 | 10,446,713 |
| 1904 | 60,908,784 | 10,619,652 |
| 1905 | 54,167,990 | 9,054,386 |
| 1906 | 51,670,321 | 9,173,580 |
| 1907 | 57,108,050 | 11,389,807 |
| 1908 | 66,833,413 | 10,765,503 |
| 1909 | 77,032,263 | 11,672,675 |
| 1910 | 70,650,300 | 15,118,208 |
| 1911 | 73,286,272 | 16,731,299 |
| 1912 | 75,276,704 | 23,670,640 |
| 1913 | 78,359,596 | 27,605,984 |
| 1914 | 93,511,294 | 22,969,296 |
| 1915 | 183,181,510 | 36,700,720 |
| 1916 | 198,938,768 | 29,874,880 |

The total consumption of cocoa largely increased. The apprehensive advertisers actually profited by the expenditure into which they considered themselves forced. Bournville, the beautiful garden factory in which the enlightened benevolence of Mr. Cadbury is expressed, has been built since the

new competitor arrived on the scene; Messrs. Rowntree at York and Messrs. Fry at Bristol are more famous and more prosperous than ever. Unless you are prepared to say that the sale of cocoa itself is an economic waste, you cannot say this of the cocoa advertisements. The other example is more questionable in this respect, but as I have the statistics I will show them to you. They consist of two sets of figures, showing respectively the total consumption of pipe-tobacco and of cigarettes in the United States from 1900 to 1917.

CONSUMPTION OF TOBACCO AND OF CIGARETTES IN
THE UNITED STATES, 1900 TO 1917

| TOBACCO | | CIGARETTES | |
|---------|-------------|------------|----------------|
| Year. | Pounds. | Year. | |
| 1900 | 278,977,035 | 1900 | 2,639,899,785 |
| 1901 | 294,101,715 | 1901 | 2,277,069,818 |
| 1902 | 298,048,339 | 1902 | 2,651,618,797 |
| 1903 | 310,667,865 | 1903 | 3,043,030,604 |
| 1904 | 328,650,710 | 1904 | 3,235,103,871 |
| 1905 | 334,849,110 | 1905 | 3,376,633,673 |
| 1906 | 354,915,499 | 1906 | 3,792,759,903 |
| 1907 | 369,186,288 | 1907 | 5,166,941,756 |
| 1908 | 364,109,398 | 1908 | 5,402,345,198 |
| 1909 | 388,756,941 | 1909 | 6,105,424,173 |
| 1910 | 436,798,085 | 1910 | 7,874,239,863 |
| 1911 | 380,794,673 | 1911 | 9,254,351,722 |
| 1912 | 393,785,146 | 1912 | 11,239,536,803 |
| 1913 | 404,362,620 | 1913 | 14,294,895,471 |
| 1914 | 412,505,213 | 1914 | 16,427,086,016 |
| 1915 | 402,474,245 | 1915 | 16,756,179,973 |
| 1916 | 417,235,928 | 1916 | 21,087,677,077 |
| 1917 | 445,763,206 | 1917 | 30,529,193,538 |

Cigarettes have, of course, been much the more

heavily advertised of the two; and while their consumption has increased more than eleven and a half times, that of pipe tobacco has not nearly doubled. You may say that this is attributable to a change in the habits of the people. But, if so, this change is surely the result of the advertising. The cigarette was hardly known in this country until the advertising of Richmond Gem cigarettes by my old master, the late John Morgan Richards, about 1880. But it only took a very little advertising to bring the cigarette—the Richmond Gem first, and then a whole crowd of others—into popular favour. For, as usual, creating a demand for one brand created a generic demand. Introducing a new product always has this effect; but if the advertising is well done, and is kept up, the first brand captures the bulk of the trade.

Its only danger is from inferiority. The man who thinks that once he has introduced an article, he can afford to let the quality down, makes a fatal mistake. So he does if he neglects any opportunity to improve his processes and his product. And that is one of the economic usefulnesses of Advertising. A manufacturer who has invested money in advertising his product has the whole of this investment at stake. He is forced by self-interest to make his product as good as it always was: he is forced by the competition of other advertisers to improve it if he can. Where goods are not advertised, there is not the same risk attached to deterioration, and indeed (as I have already shown) competition in price sometimes actually forces deterioration upon the producer, because the goods have no standard.

In so far as the middleman or jobber is an economic

waste, Advertising tends to economic gain. It is easier for the advertiser to sell direct to the retailer than for the other man. Quick turnover enables the retailer to buy in large quantities. The number of small parcels transported is reduced—another economic gain which must be credited to Advertising. The very small retailers will buy through a middleman, no doubt; but those in a reasonably large way of business will buy direct from the manufacturer; and packing-material, freight, and cartage will be saved, as well as the middleman's profit.

In fact, one of the most important economies effected by Advertising is economy in trade-organisation. When the heavy expense of commercial travellers' salaries, commissions, railway-fares, and hotel-bills is considered, and the indoor expense of sales-management, correspondence, and samples taken into account, it is easy to prove the economy of Advertising, because these expenses can always be greatly reduced when the demand for the goods comes from the public instead of from the retailer. It is unfortunate that precise statistics can so rarely be obtained in this country, as I have already complained. I am obliged to go to America. I ask you to consider the extent of the outgoings just mentioned, and compare the cost with that of advertising. Some investigations in the United States last year showed the following percentages of advertising to sales in nine trades :

Seven advertisers of food-stuffs spent for advertising an average of 4·6 per cent. of their sales.

Three advertisers of optical goods averaged 7·3 per cent.

Three advertisers of fountain pens averaged 5·3 per cent.

Nine advertisers of motor-cars averaged 3·3 per cent.

Seven advertisers of motor-accessories averaged 4·2 per cent.

Six advertisers of building materials (roofings, &c.) averaged 2·4 per cent.

Three advertisers of paints and varnish averaged 4 per cent.

Eight advertisers of office furniture and supplies averaged 5·1 per cent.

Four advertisers of confectionery averaged 8·1 per cent.¹

I think the averages in the United Kingdom would be higher than these, in some instances. The American public responds better to advertisement than our own. In 1908, the California Fruit Growers' Exchange began to advertise oranges in the United States and Canada. In ten years their sales of oranges increased 80 per cent., or four times as rapidly as population; and the cost of advertising was only 1·157 per cent. of the gross sales. The advertising of lemons was only begun four years ago; but in that time the sales have increased 45 per cent.² The overhead expenses must have been greatly reduced in proportion to output, and prices were kept down by the competition with imported fruits.

A further interesting proof of the economic value of Advertising is furnished by the action of a well-known soap-manufacturer in Canada. 'Comfort'

¹ *Printers' Ink*, New York, July 11, 1918.

² *Ibid.*, New York, July 18, 1918.

soap, well known in that glorious Dominion, has for many years been sold direct by means of what are called premiums. A list of articles, more or less useful, is enclosed with each box of soap, and these articles are exchangeable, free of charge, for various numbers of tablet-wrappers. Last summer, nearly all of these articles rose to prohibitive prices. The manufacturers of the soap therefore withdrew the gifts and added the full value to the soap, by increasing the weight per tablet. At the same time they embarked upon a very large and costly advertising campaign, to keep up the sale without premiums. But they deducted nothing from the extra weight of soap for this, evidently and rightly considering that their advertisements would so reduce the cost of distribution (that is, of selling the soap to consumers) that they could save the whole cost of the advertisements.

These people got rid of so uneconomic and wasteful a method as premiums—I am sure you will agree that the premium plan is uneconomic and wasteful—and gave back the whole value of the premium gifts, so that their advertising does not cost the consumer a penny. This is a striking example of the economic character of Advertising, as compared with the 'given away with a pound of tea' system. A further proof of this is that the most liberal advertising-expenditures are those made in the selling of just such articles as this—laundry soaps, cocoa, beef-extracts, margarine, tea and so forth—which are sold at the smallest margins of profit. If advertising were the wasteful and uneconomic expense which it is said by its adversaries to be, you would expect to find it most employed on articles carrying a large percentage of profit, out of which the

advertisements would be paid for, instead of the exact reverse.

Just one other economic gain due to Advertising must be mentioned. Anything is economic which prevents waste. In manufacturing processes, very often some part of the raw material is left when the finished article has been turned out, and this is either thrown away or, at the very best, sold as waste-matter. Many meat-products, for instance, are used for manure, yielding a very small amount of profit to the seller and of wealth to the community. But by means of Advertising it has happened in numerous instances that these waste-matters are converted into valuable by-products, just as gas liquor, which once flowed noisomely into the canals, now yields enormous wealth in dyes, drugs, and dynamite. You all know, I expect, the household article called Old Dutch Cleanser. This is a by-product of a factory where bully-beef and other meats are tinned. The spare fats would be sold and turned into soap in any case; but these would not have yielded the same amount of wealth as they do by being turned directly, and without waste (because there is no time for them to putrefy and become partly useless), into Old Dutch Cleanser. Advertising actually created a new demand for Old Dutch, which could not have been sold without it. The valuable digestive medicines pepsin and pancreatin are by-products of the large-scale butcher. Through the advertising to the medical profession of these medicaments, and compounds containing them, a market has been created for what was formerly thrown away as useless. Another market for pepsin is found in several advertised brands of junket-powder and so-called extract of rennet,

for making the delicious Devonshire junket—one of the most digestible forms of milk. This great boon to invalids and epicures would not have been nearly so well known, but for the advertising of a by-product. Twenty years ago very few people outside Devonshire knew how to make junket, now a familiar dainty in homes and restaurants. One large meat company has established a department to advertise tennis, lacrosse, and badminton rackets, hair-brushes and other goods, and advertised them, in order to use the waste gut and the bristles. So important has the sale of advertised by-products from animal carcasses become, that in face of competition many factories could not now make a profit from the sale of the meat alone. Margarine is another example of these by-products. Fats which would produce much less wealth as soap are made into oleo, which forms a large part of the higher grades of margarine in combination with vegetable fats.

A few years ago, as I dare say many of you will remember, there were some advertisements of coffee freed from the alkaloid caffeine, to which evil effects are attributed. The coffee smelt and tasted like any other coffee; but it was really a by-product of the manufacture of caffeine. This alkaloid was extracted by macerating the ground coffee in ether. When the ether had dissolved-out all the caffeine, it evaporated, leaving the aromatics, for which coffee is chiefly enjoyed, unchanged, and people who did not mind their coffee without any caffeine found it perfectly satisfactory. Another economic waste, of a kind, was thus prevented.

I hope not to have wearied you too much by my defence of Commercial Advertising. In the rest

of these Lectures, I shall try to talk more constructively of Advertising in its varied methods and applications. But before we begin this, I hope you will agree with me that it was necessary to satisfy our consciences as to the economic and commercial soundness of it. For there is no honest satisfaction to be had out of any sort of business in which one man, or a class of men, profits without giving back to the community service which is worth the money.

It is not irrelevant to mention that besides helping the trader to sell at smaller expense and the consumer to buy more cheaply, Advertising does something for us when we are neither buying nor selling. It confers upon us a number of advantages of which the importance is recognised when we answer the question, What if there were no Advertising?

If Advertising were suppressed, or had never existed, we should rise in the morning to shave without a safety-razor and fare forth to our work with no news of the world's happenings. The daily paper could not exist. We should have to resort to some place where bulletins would be erected. We should never know in any real detail the history of our times. If we wanted to go to the play we should have to send a telephone message to all the theatres, to find out what was on. If we wanted a cellar of coal, we should have to send round for prices. With no Advertising there would be no uniformity. Competition would be crippled. The same would happen with the prices—the considerably increased prices—of other commodities, all of which would be almost entirely unstandardised. Every vacant piece of land in a town, awaiting the builder, would be foul

with refuse and dead cats, no man having any inducement to wall-in the space with hoardings. Finance would be paralysed, because without daily papers to quote stocks, all joint-stock prices would be determined by professional speculators. Properties sold by auction would fetch poor prices: for buyers could not be attracted. London would be a very quiet place, and its inhabitants very uncivilised, for a large part of the comforts and conveniences supplied by modern invention and marketed by Advertising would never have been created. When you hear the unreflecting superior person talk of the wastes of Advertising, remember these things. There is not one of us who would not be poorer and more ignorant if there were no Advertising.

LECTURE II

ADVERTISING—ITS FUNCTIONS AND POLICY

Commercial functions of Advertising—What Advertising will sell—How Advertising affects prices—Protection without a tariff—Advertising Policy defined—Considerations which dictate it—How Advertising maintains quality—Examples of Advertising Policy—Mistaken policy used by insurance advertisers—Advertising problems and problems solved by advertising—Unexpected profits in advertising—Advertisers must keep faith with the public—The three functions of Advertising: to create a new want; to increase the sale of an established product; to protect the advertiser against competition—Introducing a new invention: a practical example—Merchandising problems—Competing with an established product: example of Farrow's Mustard—Press Advertising to secure retail distribution—*The Times* Book Club—Maintaining demand for an advertised product—Advertising to increase consumption—Ideas more important than expenditure—Who pays for Advertising?—Cost of Advertising—Exact methods of Advertising—Statistical devices used in Advertising—Use of graphs and charts—*Ratio* of Advertising to sales—The Curve of Pursuit.

HAVING talked at some length last week in defence of Advertising, my duty is now to discuss the more practical subject of its actual functions, purposes, and methods, which are commonly grouped together and described as Advertising Policy. The policy behind any advertisement is more important than the advertisement itself.

We saw last week the economic justification of Advertising in its power of making possible the introduction of desirable inventions. Many of these could not be brought forward at all without the guarantee of a market afforded by public Advertising. We saw how Advertising removes economic wastes by shortening the path of the product from factory to consumer; we saw its productive value in manufacture, where it enables plant to be used more hours,

thus economising overhead expense and deriving more wealth from capital invested in buildings and machinery. We saw how small a proportion even the largest advertising-appropriations bear to the selling-value of popular domestic commodities, and contemplated for a moment the rigours of a world without Advertising to help its daily work. Implicit in everything which was said, we saw that the basis of successful Advertising was honest truth-telling. We are now to consider, with examples, the objects contemplated by the advertiser, because the policy which dictates his advertising will dictate also the practical methods proper to be employed.

The commercial function of Advertising is to promote the sale of desirable commodities and utilities. Not only merchandise, but services, such as insurance, travel, amusement, education, and other abstract things, including even religious teaching, are advertised. Among the economic functions of Advertising which justify it and make it profitable, is also the standardising of quality. Advertising furnishes the consumer with a species of guarantee, which has great public usefulness. It is a fact to be remarked, that although Advertising creates a monopoly in the brand of goods which it sells, this monopoly is used more often to protect a standard of quality than to sell the goods dearer. You cannot buy soap equal to Sunlight soap any cheaper, so far as I know, than Sunlight soap ; nor cocoa equal to Cadbury's in quality any cheaper than Cadbury's cocoa. The advertiser may be able to get a little more profit for the guarantee of an advertised brand ; but anything in the way of exorbitance in price would

quickly bring its own punishment: 'So-and-so's goods are excellent, but I cannot afford them. They are so frightfully dear.' The extra profit derived by advertisers is obtained by increased production, not by charging more.¹

Another very important ^{even} function of Advertising is protective in character. It conserves the Nation's trade, thus maintaining wages and preventing unemployment. The race for cheapness, combined with the technical ignorance of buyers, tends to degrade the quality of merchandise; then, when the standard falls below a certain point, the British manufacturer is put out of business by cheap goods dumped upon his market.

¹ A friendly and most capable critic remarked, in connection with this Lecture, that I should make a mistake if I pushed the economic argument for advertised goods too far. He said that unless a trade-mark enabled the owner to get more for his goods than open competition would leave him, there was no object in registering a trade-mark, and that, notoriously, a large number of trade-marked, and therefore advertised, goods fetched a higher price because of the monopoly which Advertising created.

It is desirable to answer this criticism. No one pretends that advertisers spend their money for the pleasure of getting rid of it. But the object of advertising is not to increase a man's prices, but to increase his turnover; and overcharging would defeat this object. If a commodity sold under an advertised brand, at a higher rate than unbranded stuff sold from bulk or in the piece, were no better, the public would find this out. Neither advertising nor a trade-mark will save a manufacturer from competition. Numerous advertised commodities are just as cheap as the unadvertised commodities of the same class, as I mentioned with instances. For numerous other advertised commodities the public pays an advanced, and even a considerably advanced, price, knowing this perfectly well, and paying the price for the sake of the standard quality which can only thus be assured. A tabloid of medicine (Burroughs Wellcome & Co.'s advertised trade-mark) is the same in Plymouth or Peebles or Patagonia. A powder of the same drug, without any brand, may vary indefinitely in quality. A pound of coffee from the grocer's canister is just as good as the grocer thinks it needs to be in order to hold his trade. A pound of Ridgway's A.D. Coffee is the same wherever you buy it; and if it were not fully worth its price, the more discriminating buyers would soon tell the others.

On the other hand, many classes of unadvertised articles, because they sell very slowly, carry an enormous retail profit. I instanced jewellery, china, and glass in Lecture IV.

It is not always a manufacturer's fault if the quality of his output deteriorates. Without Advertising, indeed, there is a direct tendency for it to do so. The demand for cheapness, fostered by competition among shopkeepers, forces shopkeepers to buy everything at the lowest price they can. Competition among manufacturers for the favour of retailers, of course, helps shopkeepers to buy cheaply; and they will favour goods which, by being almost imperceptibly inferior, can be sold at prices enabling them to defeat their competitors. The tendency of prices to a *minimum* begins by curtailing retailers' profits; but there will always be a time when prices have been cut as low as the cost of keeping shop will allow. Having surrendered as much of his own profit as he can afford to give up, a retailer will presently begin to tamper wilfully with quality. Of course, he risks losing some of his customers thereby; but cheapness must be attained, or he will not have any customers at all. The consequence is that manufacturers suffer by the competition of imports from countries where wages are lower, or where imitation just outside the limits of punishable fraud has been elevated into a system. Herein the German is a master of craft. Some of his imitations deceive the public, and the public cannot protect itself in the case of bulk- or piece-goods without a brand. The consequence has often been the deterioration of our manufacturers' output, in their effort to fight unfair competition. The manufacturer who advertises his brand is relieved of such temptation, and as the public, after all, will pay an honest price for an honest article, we find one function of Advertising to be (as I said) protective; but the

protection which it affords is Protection without Tariff.

These are economic functions of Advertising. To-night, I am going to talk about its commercial functions. Hitherto, I have been concerned to prove that Advertising is a good thing for the community. Now I am going to show how to make it a good thing for the advertiser.

In order that it may be so, it is very desirable that the advertisements should have a settled policy behind them. I have already said that this policy is far more important than the advertisements themselves. What I mean by the word 'policy' is the plan on which the advertising is based. The more definite your policy, the more likely you are to succeed. I recommend advertisers who consult me in my professional capacity, to make a written statement of policy. This is for the sake of definiteness. You know that Bacon said, 'Reading maketh a full man ; conference maketh a ready man ; writing maketh an exact man.' If your policy will not go down in black and white, depend upon it, there is something wrong with your policy.

The policy behind your advertising may be dictated by any one of several considerations. It may be dictated either by the special merit of your wares or your shop, or by the special plan which you are going to adopt in selling. It is of little use to say that your goods are meritorious unless you give reasons. People will not believe your bare statement. But you can convince them by your reasons for the bare statement. For example, one man may base his claim on the way in which his goods are manufactured. His Advertising may be a factory

story, as advertising-men say. If you were selling something to eat which is very much like a number of competing articles, such as tinned meat or fruits, it would perhaps be very difficult to specify any recognisable difference in the goods. But you might do what an advertiser should always be trying to do—namely, to put himself into a class apart from his competitors—by making a feature of the beautiful cleanliness of your factory, its tiled kitchens, its spotless packing-rooms, the floods of sunlight and fresh water, the washing-room where all the operatives wash and put on clean overalls and slippers, before being allowed to enter the sacred interior, even then, never allowing a hand to touch the food; and so forth. It is always desirable to have some distinctive point to talk about. Then you can be assured that when people buy your goods they buy them for the right reason, and presumably will be content with them, go on using them, and recommend them to others. The policy behind two articles, used in exactly the same way and for the same purpose, may be quite different. On the face of it, you would say that Walker's whisky and Haig & Haig's required the same advertising policy. Anyone can see that the distillers of them do not think so. Similarly, Symington's soups and Gong soups may seem so much in the same line that they could only be advertised in one way; but they are not. The manufacturers of Gong soups try to raise their class of customers. That is a definite line of policy. The distinctive merit advertised in connection with the Auto-Strop razor is that it is easy to strop—you can strop it every day. The distinctive merit claimed for the Gillette razor is that it

does not need any stropping. The distinctive merit claimed for the Twinplex stropper is that it does strop a Gillette blade.

Allied to a policy of this kind is a policy of giving reasons why people should buy a given commodity. Throughout the greater part of the wonderful War Bond advertising campaign, the policy was to show people that they ought to buy War Bonds to help their sons and the brethren of all of us to win the War. When the Armistice came, a new policy was developed at once: it was a policy of pointing out that War Bonds were a magnificent investment, which would not be long available. Of course the security and the high interest were used as secondary points all along; but the duty-argument was the leading feature in the advertising policy, until the Armistice came.

Insurance companies, whose advertising is usually very poor, adopt as a rule the policy of proving that they are sound. They appear to believe that when a man thinks of insuring his life or his house, he is concerned lest the money would not be forthcoming when claimed. I do not think this is a sound policy. I think people believe all insurance companies sound. The recent bold advertising of the All-in Insurance adopts a totally different plan—the right plan, as I think. It makes a feature of the risks which you avoid through insurance, and the advantages of an inclusive contract insuring against all of them. The old Equitable Life Insurance Company, like the All-in people—the British Dominions Company—makes no feature of its reserves and its stability (these are taken for granted), but quotes typical instances of people who insured on the mutual, or profit-sharing plan, and secured for

their survivors two or three times the amount insured and four or five times, perhaps, the amount paid in premiums. Either of these is a sound policy of insurance-advertising.

Your policy may be, again, to change certain habits of the public. Suppose you have a seasonal trade—selling only during six months of the year—you may try to extend the demand to the entire year. Some years ago, Bovril Limited did some advertising of this kind, suggesting that Bovril-and-soda was a nice summer drink. A manufacturer of cocoa who invented a new time at which people could drink cocoa would reach an entirely new public, and thus increase the sale of all cocoas further still beyond what I demonstrated last week. As it is, cocoa is chiefly drunk by the working classes, who take it for breakfast, eleven o'clock lunch, or supper. The less active part of the community needs tea at breakfast, and does not take the eleven o'clock lunch which the working man apparently still wants to retain while striking for a forty-four or a forty-hour week. I shall have something to say about the policy of advertising new uses for your product later on.

On the other hand, your advertising policy may be dictated by something in your selling-plan. You may be selling cheaper than other people. You may be taking the money by instalments, instead of all in one sum. A shop may make a feature of general cheapness—as in Mr. Selfridge's claim, 'London's lowest prices always', or the chain of provision shops which claim to be 'the first to lower prices'; or it may make a feature of bargains in a particular part of the premises or at a particular time of day, like the midday-hour bargains advertised

by D. H. Evans & Co. a few years ago, and Mr. Selfridge's Saturday morning bargains at present.

The policy is sometimes changed, because of changing conditions, or merely because it seems time to try a new line of approach. Some years ago the advertising manager of Rowntree's cocoa tried a new line: he made a feature of Flavour. He advertised the flavour rather than the cocoa, in a sense. Until then, cocoa was chiefly advertised in a very general sort of way—nothing particular was said to show how one cocoa differed from another, just as Pears' soap was chiefly advertised merely as soap. Even the feature of transparency was not made much of. Really, there is always a feature of distinction somewhere, if you will look for it hard enough. The only cocoa that had stood out from others was Dr. Tibbles'. The policy here was to sell certain other things—coca and kola—added to the cocoa. Tibbles' cocoa—the new cocoa whose advent started the old cocoa houses on their long course of extended advertising—was advertised like a patent medicine. That was a difference in policy. Another change of policy occurred when the Bovril advertising was all devoted to proving that when invalids took Bovril they gained weight.

Again, your policy may be dictated by the fact that you have sold an article which lasts a long time, and want to do some more trade with the purchasers by selling supplies to go with it. You may have sold them a gramophone, and thereby created a market for records; or a player-piano, and thereby created a market for music-rolls; or a camera, and thereby created a market for films. Sometimes it is profitable to sell the main product rather cheaply,

because of the continued demand for supplies which it enables you to cultivate. Then, you will advertise the use of the article which you have sold, rather than the article itself.

Indeed, it is very often a good line of policy to advertise the use, rather than the thing itself, in any event. By doing this, you direct attention towards the advantages or the pleasure derived from it, and away from the price. I have always contended that the way to advertise player-pianos is to advertise the pleasures of music, which do not sound expensive, rather than the piano itself, which does. The subject is almost inexhaustible.

To-night, in talking of advertising policy, I want you to let me be very informal. It is impossible to lay down rules and regulations for a thing so infinitely varied as the conception of advertising plans. You might as well try to reduce the art of painting to a series of exact proportions like the multiplication table, or compose sonatas with a ready reckoner. Moreover, the subject is so extensive that it could not be all covered in a hundred speeches like this. I can only offer you some examples of the functions of Advertising, and tell you some true stories about them, if I may.

For instance, Advertising may be the obvious solution of a commercial problem, or it may be an ingenious way out of a difficulty. One very important firm, during the War, desired to attract the attention of a certain Government Department. It was selling its products to two Ministries, but could not get a foothold in one of the others. By my suggestion, a whole-page advertisement was inserted in *The Times*, addressed to the Minister concerned.

I am telling no secrets, since I have mentioned no names, when I say that it effected its purpose. A rather amusing instance of special problems solved by Advertising occurred, a good many years ago, also within my experience. A London firm, with which I was connected, had been for some time importing considerable quantities of water-ground mica, used in the manufacture of wall-paper. Sometimes it would happen that a few barrels would be shipped, in which the mineral had been ground to a grade of fineness different from the rest, and these samples proved unsuitable to the ordinary uses of ground mica. By degrees several hundredweights of utterly unsaleable mica thus accumulated. It was not worth the freight of re-shipment; and you will find, if you try it, that to dispose of a large quantity of an insoluble, incombustible, and entirely useless substance by throwing it away is no very simple task. When the quantity accumulated had become embarrassing, the importers began to cast about for some means of getting rid of it. The idea was suggested to them of packing the rejected mica in small boxes, and advertising it for decorating Christmas-trees and the like, at sixpence a box—water-ground mica being a light, impalpable powder, very like snow. To keep the packages thus advertised within reasonable limits of size, the quantity given for sixpence raised the price to many times the rate paid by wall-paper manufacturers. But advertised as ‘Jack Frost’ with an attractive label, it was so gladly received by the public that the rejected accumulation was soon worked off at a very large profit. What is more, the importers, during several successive Christmas seasons, were obliged

to use up many barrels of their ordinary merchantable mica as 'Jack Frost' in order to meet the demand.

That is the way with Advertising. Very often a man is drawn into it unwillingly, to meet a special emergency, and, to his surprise, finds unexpected profits besides. The effects are sometimes embarrassing. A publisher whom I know was selling a standard work in several volumes, strongly bound with leather backs. As will often happen when a light-coloured leather is chosen for this purpose, some of the volumes now and then faded a little, or were a bad match, and my friend's manager would put away these sets, hoping to match them up later on. Presently there was an accumulation of a dozen sets or more of an expensive work. The publisher therefore determined to advertise these imperfect sets at a slightly reduced price. (He took care that there should still be a little profit.) But when the advertisements appeared, he received orders not merely for the dozen of sets which he wanted to sell, but for something over a hundred sets, and he was reduced to the necessity of selling perfectly good and well-matched sets at the reduced price, hoping that the buyers would manage to discover some slight shades of difference.

Having advertised the books, he had to deliver the goods. And this illustrated an important point in advertising-policy. If you do not want your advertising to do harm instead of good, you must never, on any excuse, break faith with your public. A few years ago, in some articles contributed to the *Standard*, I gave an example of this. A certain large shop advertised at sale time a parcel of 500 parasols at 5s. 11d. By a typographical error, the 5s. fell out

of the printer's forme, and the parasols appeared to be offered at only 11*d.* The shopkeeper had the wisdom and breadth of mind to give orders that, although a mistake had been made, his printed promise should be kept. And he had to make up his mind early; for before ten o'clock on the day when the advertisement appeared, the whole 500 parasols had been demanded and bought!

The most important of the routine functions of Advertising are these three:

To create a new want;

To increase the sale of an established product; and

To protect the advertiser against the effects of competition.

Each of these functions will be subserved by a different kind of policy in the scheme of Advertising.

Taking these in order, it may be said that the first is the most profitable use of Advertising. The advertiser who introduces an entire novelty not only has the monopoly of it—for a time, at all events—but commonly puts himself in such a position of authority that his article becomes the standard. Anyway, it is his own fault if it does not.

When you have to introduce a new invention, you will be wise if you invent, or pay some one else to invent, a new name also. If it is a specially good name there may be what people call a fortune in it, though the best name in the world is only a potential fortune in itself, unless it has a good article and good Advertising behind it. For reasons which will appear in my fourth Lecture, the trade-mark word 'Tabloid' is one of the finest name-marks ever invented. But it took more than a good word to build up the large business of the firm that owns it.

When introducing an entirely new invention, the function of Advertising is to create a new want. I called this the most profitable Advertising, because if there is a real utility to be offered, the pioneer has a temporary monopoly. It is also, in some respects, the least difficult kind of advertising to plan and to write, because the advertisements have the nature of news. Take an article like the vacuum-cleaner, for example. When domestic vacuum-cleaners were first introduced, people were intensely interested in them. At places like the Ideal Home Exhibition, there was always a crowd round the demonstration-stand. The advertisements in the papers were eagerly read, and the effect was that retailers were easily induced to demonstrate the machine and introduce it to a public which was already interested, already ripe for the salesman's harvest.

But it is a long time since vacuum-cleaners came in, and I want to give you a constructive example of introductory advertising. In order to do this, I am going to sketch for you, very briefly, the considerations which might determine the policy to be adopted in advertising an entirely imaginary product. This can only be done in a very rudimentary way, very briefly, to a very limited extent. My sketch will be especially imperfect in one particular. In any real campaign, you would be certain to meet with perfectly unforeseen and unforeseeable difficulties, and to exercise your ingenuity in fighting them. You would sometimes make a mistake, too, either in your appeal to the consumer or in your effort at obtaining trade organisation, and your ingenuity would again be exercised in curing the effects of your own blunder.

You would have to change your plans, perhaps at very considerable expense and inconvenience. Or you would find someone in the trade operating in a way to defeat your scheme in some manner, and would have to invent a checkmate. We must do without these hazards and consider only the predetermined line of advance ; I make the formidable assumption that everything worked without a hitch. It is difficult enough even then. You will never go very far in Advertising without taking a lot of trouble. Industry and perseverance are quite as important as money.

For the purposes of this illustration, I am going to imagine that you have invented a contrivance that could be plugged to the electric-light socket, and made to clean windows, inside and out, without trouble. You have to devise a plan to sell this thing.

It is a very desirable, and probably quite extravagantly impracticable invention. But your imagination will come to my aid in conceiving it. One problem in framing your policy here would be the copy-problem—to find the most efficient angle of approach in your announcements. Another would be the merchandising problem—to obtain retail co-operation. The second is the more difficult. I do not think there would be any difficulty in writing advertisements that would awaken the desire of housewives to be rid for ever of the peripatetic window-cleaning company's men. The problem, of course, would be more than that. You would have not merely to awaken their desire, but to overcome their natural objection against parting with the money required in order to gratify it. This is more

than a copy-problem ; it is a problem of advertising-policy. You would have to risk a good deal on your judgment of the best angle of approach. By the angle of approach, I mean the selling-point to be chiefly insisted upon. Three points might suggest themselves to you—arguing from economy, efficiency, or convenience. You might decide to risk some money on the economy point. Now consider the structure of your advertisement copy. It costs so much a week to have windows cleaned by a company. The servants won't do it—nowadays. The machine costs so much. After such-and-such a period, the machine would have paid for itself, by saving what would have had to be paid to the contractor : and for the rest of the buyer's life he would have clean windows for nothing. Not only that, but they would be cleaner windows, because he could have them cleaned every day if he liked. Or you could argue that the machine would last twenty years, and the cost of the extra efficiency spread on that period will be practically *nil*.

This would be one angle of approach. But it might be more promising—especially if the price were too high to make the economy argument defensible—to use the argument from efficiency : proving that the machine would clean windows and polish them better than they could be cleaned and polished by hand. Moreover (you would argue), they could be cleaned oftener : and so on, as in the first approach.

The argument from convenience would be a little different—appealing to people's laziness and their dislike of having to make servants do what servants don't want to do, or put up with the nuisance of the

contractor's men. You would put the case thus : Servants do not like having to clean windows. Some windows are, moreover, dangerous. The window-cleaning company's men are not very desirable visitors. They themselves are not so clean as they make the windows, and they don't make these very clean either. They need someone to go round the house with them and see that they do not steal. (You know they will steal almost anything. One of them in my house even stole a tooth-brush—an article for which one would never have suspected that the sort of people who come to clean windows had any great use.) Other lines of argument would suggest themselves when you studied the machine and fiddled with it to get an idea of its working—the only real way to obtain inspiration for advertisement-writing, as I shall show you in another Lecture next week.

These advertisements to the public of your patent window-cleaner—whatever line of argument you employed—would only appear after you had used special trade advertising, to induce retailers to carry the machine in stock and push it. The best way to advertise a product to the shopkeeper is to show him how to sell it, and assist him to do so. You would send men to explain the working of the machine to the retailer's salesmen, so that they could demonstrate it. Probably you would try to induce each retailer to set aside six days as demonstration week, when people could come to a special part of the shop, set aside for the purpose, to see it work—or possibly he would even send a man to people's houses, to clean a few windows free of charge. You would also furnish him with show-cards and pamphlets,

folders, and other printed matter, for distribution to customers, and otherwise assist him in making a profit out of your invention. This would all be done by means of circulars and trade-paper advertising, followed up by travellers.

In many kinds of advertising, the actual sale has to be made by printed matter, and to get this printed matter properly used is a great part of the merchandising problem. Retailers are jealous of the advertiser getting into contact with their customers. They will not very often supply you with a list of names and addresses that you can circularise; but they will address your pamphlets and circulars to customers if you send these all ready to post or deliver. What they like best, however, is for you to send them new names. You can do this by offering a pamphlet or catalogue in your newspaper advertisements: you constantly see this being done. When you obtained the replies, you would mention the local retailer's name, and send him the letters, urging him to follow the writers up. Retailers' assistance is secured by all sorts of co-operation like this on the part of the advertiser. You must do all you can to enable the retailer to get an order: and then he will send his orders to you.

The other kind of introductory advertising is where you have to sell a new product in competition with something else of exactly the same kind, which is giving satisfaction to the public. This is a much more difficult operation. The function of Advertising here is ostensibly to change the consumer's source of supply. In practice, as I mentioned in the first Lecture, the new-comer does not carve all the business

out of the flanks of his competitors. But he has to overcome, at first, the momentum that is behind the sale of the established product—the old favourite. On the other hand, he is not at the expense of the early explanatory, or (as it is called) the educational advertising required for a complete novelty. This is not an unmixed blessing, though. The public will read about a new invention readily enough. Much more vigorous treatment is needed when advertising the new brand of a staple product. The advertisements require to be bold, and to be attractive, before they will be sufficiently studied to wean the consumer from his old supplier.

This is where the benefit of well-considered policy behind the advertising is felt. Advertisements will always obtain business at less expense if some newly invented selling-scheme is introduced. An ingenious merchandising-plan was used to introduce a new brand, in competition with well-established trade, a few years ago. The plan that I mean was the one used for Farrow's mustard. It was very ingenious and well worked. If it had been more liberally followed up it would have had more visible permanent effect. Farrow's mustard, as it happens, was not a new product, but an old-established article which woke up with a start. However, the introduction-problem was exactly like that of a new brand. The proprietors had to attack the well-entrenched Colman position. This is how they did it.

Farrow's, or their advisers, appreciated the fact that getting inside the guard of a well-established demand like the demand for Colman's mustard, was no sleeping-partner's job. Even if heavy advertising would sell a certain number of packages, it would

have to keep on being heavy for a long time, if consumers were not to slip back to the old article. For a very long while—unless they could think of something very sensational—it would take a lot more advertising to sell a tin of Farrow's mustard than it was costing Colman to sell each tin of Colman's mustard, and Colman could be relied upon to give them plenty of competition in the shape of heavier advertising as soon as the invasion made itself felt. Persistent newspaper-advertising, posters, show-cards, and iron plates, had made the name Colman almost synonymous with the name mustard. Farrow's mustard was hardly known at all.

Now Farrow's advertising-man realised this, and his problem, as he saw it, was not to sell the housewife a packet of mustard, but a year's or six months' supply of mustard. He went out after a permanent effect. He believed that if people got accustomed to this mustard they would prefer it. At least, I hope he believed this; for such belief is the only honest motive for Advertising. So what did he do? He bought a large number of nice pocket-handkerchiefs. And he offered a pocket-handkerchief with each packet of mustard bought within a limited time—I think it was a week.

Now one pocket-handkerchief is of very little use to anyone—in this climate. The advertising-man calculated that, with a little suggestive help from himself, people would buy, not one packet of Farrow's mustard, but a dozen—so as to get a dozen handkerchiefs. This quantity of mustard would take a long while to use, and would give the people time to forget Mr. Colman, which is of course what Farrow's wanted them to do.

The offer was advertised by means of a page advertisement in the *Daily Mail* and other papers, and the advertisements contained a list of the grocers who had Farrow's mustard for sale. In order to have his name in the list the grocer had to buy a stock of the mustard, and with the mustard came the handkerchiefs. This plan of advertising retailers' names is often used with great effect, to secure trade representation. Reproductions of the advertisement were given to grocers to paste on their window at the appointed date, and believe me, the scheme sold the goods. First it sold them to the grocers and then the advertisement sold them *for* the grocers, which you will see is what has to happen with all advertising of goods sold through retailers. The fact that this scheme was not followed up with continuous advertising on a sufficient scale was disappointing to students of Advertising who would have liked to see whether it made any considerable impression upon the virtual monopoly of J. & J. Colman.

Retailers like to have their name in an advertisement, even if it is in very small type. You can often plant quite a large quantity of merchandise by means of one bold advertisement—the top part advertising the goods, the rest filled with the name of shopkeepers who have put the goods into stock. After preparing the way by some very thorough and very efficient merchandising work with the wholesale and retail trade, the Auto-Strop Company was able to insert in a single *Daily Mail* advertisement the names of 1800 shopkeepers, each of whom had bought a dozen guinea razors in order to have his name included. Of course, this plan only intro-

duces the article: the first advertisement must be followed up by a systematic campaign. Spasmodic advertising is never a success. Perseverance, and the courage to persevere, are necessary to success. It is systematic work that wins.

Another example of a scheme of advertising policy to attack an old market was the plan adopted for opening *The Times* Book Club, with which it is betraying no secrets, at this time of day, to say that I had a little—not much—to do.

I am going to tell you how *The Times* Book Club was opened. There were two objects behind this scheme. One was to start a new Circulating Library. The other was to increase the sale of *The Times*. I was at that period Advertising Manager of *The Times*. *The Times* badly wanted more circulation. *The Times* opened *The Times* Book Club. Incidentally, I think it was through me that this title was adopted. The opinion of several people was asked, whether it should be called *The Times* Circulating Library, or *The Times* Subscription Library. It was thought that 'Subscription Library' sounded more dignified; but I objected to it, because of the nature of the scheme itself, and I think it was I who suggested 'Book Club': at all events, if I did not suggest this title, I backed it, and it was adopted—partly because it was shorter than any of the others, and to be short is always a good thing in a title, because you can get it into bigger type without exceeding one line.

The plan adopted with the object of doubling the circulation of *The Times*, and at the same time establishing *The Times* Book Club, was this—that readers could have the privilege of borrowing books

from the Book Club, three volumes at a time, without paying any more for the paper, provided that they paid for a year's issues of *The Times* in advance. Nothing but that. The cost of a year's copies of *The Times*, then published at 3*d.*, would be about £3 18*s.*—for 312 or 313 week-days at 3*d.* a day. The Book Club gave—and still gives—such a really splendid service that it was well worth £3 18*s.* by itself. But you did not have to pay anything extra : for the £3 18*s.* you got both, or, as one of the advertisements said, if you subscribed to *The Times*, you got the service of the Book Club for nothing : if you subscribed to the Book Club, you got *The Times* for nothing.

You may ask where the profit was to come from. Well, that was rather a subtle piece of policy. Mr. Hooper, who founded the Book Club, believed—and it turned out that he was right in believing—that the readers of *The Times* would buy a great many books, and that there would be profit enough on their purchases to repay the expense of the whole organisation. He had a very ingenious policy to promote the sale of books ; but there is not time to describe it now. The part of the scheme which was designed to increase the sale of *The Times* is complicated enough.

For it was not merely a question of getting people to pay £3 18*s.* in one sum instead of paying 3*d.* a day. There was the question of delivery. They did not all want *The Times* posted to them. They did not want what is ordinarily called a ' subscription ' to *The Times*—and now you will understand my objection to the name ' Subscription Library.' They wanted to buy *The Times* for themselves each day,

wherever they happened to be. To provide for these people, books of tickets, very much like a book of postage stamps, were prepared—one ticket for every day of the year, each ticket good for a copy of *The Times* at any newsagent's or bookstall.

This is the way that *The Times* Book Club was opened. It is still a prosperous and very excellent library—much the best in London, in my opinion—though *The Times* subscription plan has been dropped, and you pay for *The Times* if you want it and the Book Club service if you want that, with no rebate either way. Each is well worth the money by itself.

In each of these two examples, the function of the advertisements was to change the consumer's source of supply—to turn the housewife from Colman's mustard to Farrow's, to take subscribers away from Mudie's and Smith's libraries and bring them to *The Times* Book Club. But in both cases, as in all cases, one important part of the total effect was the creation of new, and usually unexpected, customers. More mustard was eaten in consequence of Farrow's campaign: more books were read—and sold, too—because of *The Times* campaign.

I have said nearly as much as time and your patience will permit of the difference between selling a new invention and selling a new brand. One requires an educational campaign. The other does not need this. Either of the two is greatly helped by a new merchandising or selling scheme, to overcome the objection of shopkeepers to putting a new article into stock in the one case, and to overcome the addiction of customers to the old brand in the other. Both need the perseverance and courage to

stay by the investment until the business has time to turn the corner.

The fallacy that, when a business has been built up by large advertising, it can afterwards 'run alone,' has been so often exposed that only the least experienced advertisers are now subject to it. This error is based on the fact that to establish a new demand requires more advertising than to maintain that demand. It is cheaper to keep up a demand than to create one. But a heavy fall in sales (and consequently in profits) is found to result from withdrawal of advertisements, even for a short time. Any practical advertiser who has tried it will agree that after a period of complete withdrawal, the expense of restoring a demand is much larger than that which would have been necessary to maintain it if the advertisements had been kept up. Even when an article is seasonal it needs some inter-season publicity. An advertiser of night-lights, of which the sale falls off from May to August, made the experiment of withdrawing the whole of his night-light advertising during one summer. This proved so disastrous that it was never repeated. The proprietor told me that it cost far more than he had saved, to pull the order book up to standard figures.

The actual expenditure used to maintain the demand for an advertised product is often increased in the face of new competition such as I have been describing. The new-comer whom we have just been trying to help must not expect everything his own way : and our business here to-night is to be Jack o' both sides. No doubt if a new competition turns up, increased advertising will be an important safeguard to the old brand ; but very often the

amount of it used is more than the position really requires. New advertising may cut into an old demand for a time ; but if the old demand is properly supported, the commonest result of the new advertising is to enlarge the market by creating new customers. The increased advertising of the established brand almost always exceeds what is necessary for self-protection. The old product gets an increased sale in spite of new competition. This has frequently happened within my own experience.

The second function of Advertising is to maintain or increase the demand for an established product already advertised. Every article that has been long advertised is in a different class from one that is being newly introduced, and those among you who are engaged or intend to be engaged in practical Advertising are more likely to meet with the task of continuing such Advertising than any other. You will then be faced by an established advertising policy. Unless there is something radically wrong with the business, the chances are that this policy is the right answer to its problems. It will seldom be necessary to introduce radical changes, though this is sometimes done. A few years ago, the advertising of Kodak Limited showed material development, under the influence of an advertising-man of genius. First, you may remember, came the famous Kodak girl, in her flying skirts and her stripes, which actually influenced fashion at the time : women were everywhere seen in striped frocks. Now this was only a change in style of copy. But the Kodak girl in the newspaper-advertisements, and later in a very fine poster, and all the other developments of the copy, were only the

symptom of something much more important, a striking development of policy. Any competent critic of Advertising could see that Kodak Limited were more desirous of selling roll-films than they were of selling cameras. More and more, they began to advertise photography rather than to advertise merely Kodaks. The 'Happy Days' competition—a prize for the best collection of holiday pictures—had an enormous effect in increasing the number of enthusiastic amateur photographers. Kodak Limited were engaged in getting Kodak cameras *used*, rather than sold, though of course they did sell enormous numbers. I could tell you why this policy was adopted; but you can probably divine the reason for yourselves. It was an example of the policy of increasing the consumption of an advertised product, by finding new uses for it. A similar policy has often been visible in the Colman's mustard advertising. Messrs. Colman could not expect to make many new buyers of mustard, of which they control the principal brands. But they could make people use more mustard. Under the direction of my friend the late S. H. Benson, the finest and most upright man whom the advertising business has produced, there was the plan of combating the prejudice against eating mustard with mutton. Later, there was the campaign for the clean mustard cruet—nice clean mustard every day, with all the bite in it, instead of mustard growing darker and less pungent, and less attractive. You know the old story that Mr. Colman—Sir Jeremiah Colman as he became—said, 'No, I'm not the man who made a fortune out of the mustard that you eat. I am the man who made a fortune out of the mustard that you leave on your

plate.' I dare say that is a fable. But in the clean-pot campaign Mr. Benson's object was to increase the Colman fortune by means of the mustard washed out of the cruet. Later still came the mustard-in-your-bath campaign. If you have an old-established article to advertise, therefore, do not be content with seeking new buyers. Seek new uses for the article.

This is one way in which the mere making of attractive advertisements can be supplemented by devices of policy in maintaining the sale of an established product. The third function—to protect an established product against competition—is a kindred problem. Having an established business yielding an established income, the most obvious way to do battle with new competition is to increase the advertising appropriation—use more newspapers, larger posters, more liberal space in the newspapers. But it is not enough to spend a little extra money. Ideas are more important than expenditure. I can give you no *recipe* for the invention of new ideas. All that has been possible is to give you a few specimens of ideas which have been invented by other people, to show you how they thought and suggest to you that in order to achieve the same success you must do some thinking on your own account. Originality, curbed by the judgment which is only gained by experience, is the mainspring of Advertising, because it is the essence of the most important factor of Advertising—namely, Policy.

I should like to devote some time to-night to two other subjects—retail advertising and the use of technical and trade journals, but there is not time to deal with these in any exact manner, and to be incomplete would involve inexactness. So, with

some reluctance, I must let them go, hoping that in a future lecture I may have an opportunity to discuss them.

✓ But before we finish with the function of Advertising there is one important subject for which I have reserved the remainder of our time, and that is, the cost of advertising. We have seen who pays for advertisements. They are paid by the consumer of the goods or services advertised. Advertising, however, so greatly economises expenses of selling, that Commercial Advertising at all events, in the limited and conventional sense which I give to this term, costs the consumer nothing and less than nothing. He would pay more for goods of the same standard if they were not advertised. But what is the price of advertising? Can we approach arithmetical figures? Is Advertising, in effect, an exact science? These are questions that are always being asked and always being very imperfectly and unsatisfactorily answered.

I am not sure of satisfying you with my own reply, if I give it the form of counter-questions. Is Banking an exact science? Is Insurance? Is trading without advertisement an exact science? You will find many excuses in the archives of Carey Street for men's bankruptcies. I do not remember any debtor who has attributed his insolvency to advertising—unless it was his competitors' advertising. Opening a branch of a bank in a new town is at least as much of a gamble as an advertisement campaign under direction as experienced as that of the manager whom a bank would employ to open a new branch. And Insurance? Well, fires, and shipwrecks, and human life are not precisely the most

exact and calculable things in the world. It will be replied that Insurance is able to rely on averages. Exactly the same thing is true of Advertising. Insurance relies on the average of fires, wrecks, and deaths. Advertising relies on the average psychology of the human mind. It is not so easy to put into statistics—granted. But there is an approach to statistical treatment. Professor Dill Scott, Director of the Psychological Laboratory in the North-Western University, United States,¹ has tested a number of things. He has exhibited a succession of advertisements to a number of people and compared their memories and impressions ; he has carefully measured the psychological effect of colour, size, and illustration in holding the eye ; and he has made a number of other experiments. Some years ago I conducted some rather similar investigations for a technical journal in London. I also conducted an experiment, which is pretty well known, on the visibility of colour combinations at distance. There is an elaborate account and an apparatus of statistics relating to this in my friend Mr. Cyril Sheldon's manual 'Bill-posting'. Such things as these, and the fact that advertisers are willing to pay for them, make the growing demand for exact calculation of effect in advertising more hopeful of satisfaction than many people suppose it to be.

It is not yet possible to eliminate the disturbing and varying elements of competition, financial conditions of the market, relative consumption and the like, sufficiently to approach to an exact estimate of what it should cost to advertise any particular

¹ Professor Dill Scott's work, *The Theory and Practice of Advertising*, is published in the English edition by Sir Isaac Pitman & Sons.

class of commodities. These things could be estimated in a rough way if a large number of businesses could be investigated; but statistics are never any good unless they are copious. I believe, after having for many years been permitted to see the statistics of numerous and varied businesses, that there is a rough relation between two figures. These figures are the proportion of selling-price to cost-price, on the one hand, and the *ratio* of advertising expense to gross sales on the other. To put it another way, I believe we shall some day be able to plot some sort of curve showing that the closer the selling-price is to the cost, the less advertising you require. The obstacle to exactness is the reticence of advertisers. If a sufficient number of examples could be obtained, we should be able to deduce a law—perhaps.

In conducting any kind of advertising, it is important to watch how the cost of it, and other expenses, vary in proportion to sales. For this will enable you to criticise your methods. Charts and graphs of various kinds are useful not only to inform the advertising manager, but also to assist him in carrying conviction of his views to his superiors. By comparing the variation of sales over a period with the proportionate use of different advertising methods during the same period, it is possible to obtain an idea which method, or even which line of argument, gives the best results.¹

¹ It was not possible, while lecturing, to pursue this subject to its limits. In an article on 'Leakages in Advertising,' contributed to *The Times* some fifteen years ago, and since reprinted by *The Times*, I used the following examples:

'Where a system of Advertising is being conducted with results, on the whole, profitable, leakages are sometimes very difficult to trace, owing to the great complexity of the subject. Where advertisements

I give some actual statistics to illustrate this mode of testing the results in detail of mixed advertising, because the test is very important. I have also had a chart made, which represents the figures in a graphic manner, and illustrates this method of finding out what kind of advertisements pay best in a particular case. The way in which statistics are used is this. You analyse the total expenditure into its component parts, which in this example are shown at the top. Then you observe the

are appearing, perhaps in several forms, in a list of some hundreds of newspapers, supplemented (very likely) by wall-posters and pamphlets variously distributed, it often happens that a general return is realised, which shows an adequate profit on the whole system, though a trained observer would suspect that not all the moneys expended were contributing profitably to the result. Evidently the detection of such a leakage must be of very great advantage to the advertiser, since an economy in any one department might release funds which could either be written to profit-and-loss account, or utilised in extending the operations known to be remunerative. There are a number of ways in which the results from a system of advertising can be interrogated in order to yield information of this kind. The most obvious, and also the most hazardous, method is to withdraw in turns portions of the advertising, and compute the value of them from the fluctuation of sale. This is the method which commends itself to the unskilled advertiser, always prone to be elated by a diminution in his outgoings which does not immediately react upon sales. But it has this objection, that the statistics thus obtained require time—and perhaps more time than the advertiser supposes—for their realisation ; while there is always a chance of their being vitiated by extraneous and unsuspected causes. For instance, supposing that a group of Lancashire newspapers was suspected of not producing adequate results and that the advertising were withdrawn from them for three months, during which a cotton-famine occurred, or large and general strikes took place : the advertiser would never be able to say how much of his lost sale was the result of the withdrawal of advertising and how much of it was the result of the other circumstance. And the accidental perturbation might, in any given case, be much less recognisable than either of those mentioned. Even where no extraneous disturbance was suspected, the advertiser would have to wait for some time before he could judge with safety that a withdrawal of any portion of his advertising had not depleted his sales by a greater sum than he had saved by it. In the meantime he would have had to put up with the loss, and most likely it would cost him a great deal of extra money to pull his sale up again to the former level ; while, in proportion to the truth of the last consideration, the statistics would be vitiated by the cumulative effect of previous advertising producing longer continuance of sales than he had allowed for.—*The Times* on Advertising : Printing House Square, 1911.

variations in sales, and try to see what difference—what rise or fall of sale—corresponds with the difference in the distribution of advertising expense. Further, you notice the proportion of advertising

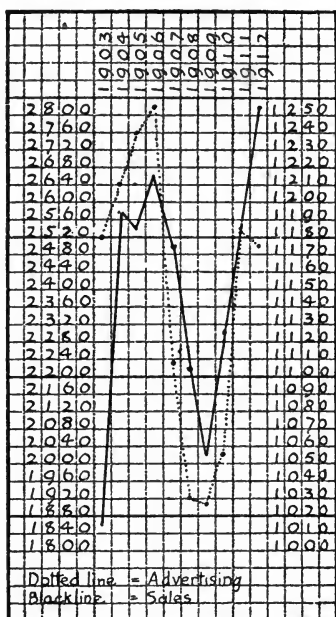


CHART I.—Comparing advertisement expense with units of sale.

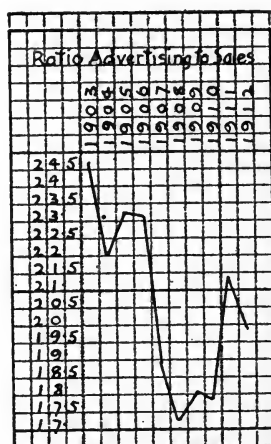


CHART II.—Showing ratio of advertising to sales.

expense to sale—how much advertising is required to sell a given quantity of merchandise.

It is not always good policy to push the sale beyond a given point. You may be able to sell a given quantity at a profitable selling-expense, and find that there is a sticking-point, where the natural market is saturated. To rise above this may cost you so much that it is not worth while. In the business from which I made this chart, the sticking-point

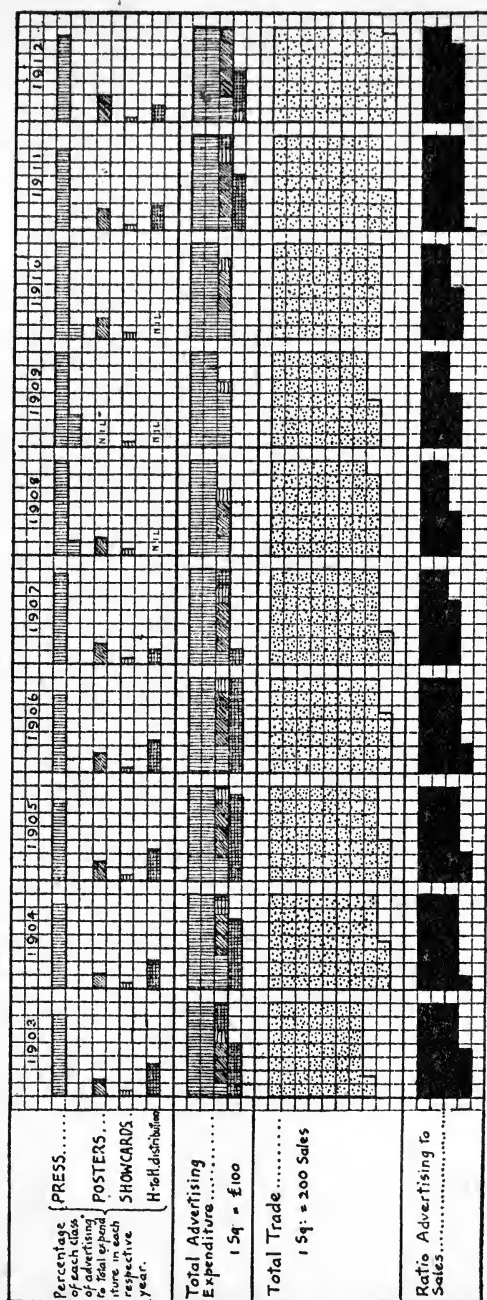


CHART III.—Analysing the advertising expenditures in £ sterling required to influence sales indicated in numerical units of 200, and the ratio of advertising expenses to units of sale.

seems to have been somewhere about £11,000. By adjusting the different modes of advertising—spending more on newspaper advertising, and less on pamphlets—these manufacturers of a food product were able to get the expense of selling about £11,000 worth pretty constant at about $17\frac{1}{2}$ per cent. When it was £12,000 the *ratio* of advertising expense to sales ran up about 23 per cent.

But the thing we were looking for, in the investigation represented by this chart, was the kind of advertising that paid best. The figures showed that press advertising and posters gave good results; distribution of printed matter from house to house did not answer; whenever these increased, the cost of selling went up.¹

¹ The figures represented by the chart shown were as follows :

| | | Advertising. | | Sales. | Ratio of Ad- vertis- ing to Sales. % |
|--|-----------|--------------|---|--------|---|
| 1903 | | £ | £ | £ | |
| Press | | 1500 | | | |
| Posters | | 300 | | | |
| Showcards and window-dressing | | 100 | | | |
| House-to-house distribution of printed matter | | 600 | | | |
| | | <hr/> 2500 | | 10,100 | 24·6 |
| 1904 | | | | | |
| Press | | 1650 | | | |
| Posters | | 300 | | | |
| Showcards and windows | | 120 | | | |
| House-to-house | | 550 | | | |
| | | <hr/> 2620 | | 11,900 | 22·00 |
| 1905 | | | | | |
| Press | | 1,575 | | | |
| Posters | | 400 | | | |
| Showcards and windows | | 115 | | | |
| House-to-house | | 650 | | | |
| | | <hr/> 2740 | | 11,800 | 23·22 |
| 1906 | | | | | |
| Press | | 1600 | | | |
| Posters | | 400 | | | |
| Showcards and windows | | 125 | | | |
| House-to-house | | 675 | | | |
| | | <hr/> 2800 | | 12,100 | 23·14 |

I have given you this example because it is often said, and said by people who ought to know better, that where mixed advertising is used for an article sold through retailers, it is impossible to tell what part of the advertising pays and what does not. It is not impossible, if you will take enough trouble.

| | | | | | Advertising. | Sales. | Ratio of Ad- vertis- ing to Sales. % |
|-----------------------|---|---|---|---|--------------|--------|---|
| | | | | | £ | £ | |
| 1907 | | | | | | | |
| Press | . | . | . | . | 1500 | | |
| Posters | . | . | . | . | 350 | | |
| Showcards and windows | . | . | . | . | 125 | | |
| House-to-house | . | . | . | . | 250 | | |
| | | | | | <hr/> | 2210 | 11,900 |
| | | | | | | | 18.5 |
| 1908 | | | | | | | |
| Press | . | . | . | . | 1550 | | |
| Posters | . | . | . | . | 250 | | |
| Showcards and windows | . | . | . | . | 100 | | |
| House-to-house | . | . | . | . | — | | |
| | | | | | <hr/> | 1900 | 11,000 |
| | | | | | | | 17.27 |
| 1909 | | | | | | | |
| Press | . | . | . | . | 1800 | | |
| Posters | . | . | . | . | — | | |
| Showcards and windows | . | . | . | . | 90 | | |
| House-to-house | . | . | . | . | — | | |
| | | | | | <hr/> | 1890 | 10,500 |
| | | | | | | | 18.00 |
| 1910 | | | | | | | |
| Press | . | . | . | . | 1600 | | |
| Posters | . | . | . | . | 300 | | |
| Showcards and windows | . | . | . | . | 100 | | |
| House-to-house | . | . | . | . | — | | |
| | | | | | <hr/> | 2000 | 11,200 |
| | | | | | | | 17.85 |
| 1911 | | | | | | | |
| Press | . | . | . | . | 1500 | | |
| Posters | . | . | . | . | 400 | | |
| Showcards and windows | . | . | . | . | 115 | | |
| House-to-house | . | . | . | . | 500 | | |
| | | | | | <hr/> | 2515 | 11,800 |
| | | | | | | | 21.31 |
| 1912 | | | | | | | |
| Press | . | . | . | . | 1590 | | |
| Posters | . | . | . | . | 500 | | |
| Showcards and windows | . | . | . | . | 95 | | |
| House-to-house | . | . | . | . | 300 | | |
| | | | | | <hr/> | 2485 | 12,500 |
| | | | | | | | 19.88 |

Here, as another instance of statistical treatment, is a set of figures showing the cost of introducing a new product :

EXPENDITURE AND SALES, 1907 TO 1911

| | 1907 | 1908 | 1909 | 1910 | 1911 |
|-------------------|--------|--------|--------|--------|--------|
| | £ | £ | £ | £ | £ |
| Sales . . . | 14,500 | 45,000 | 52,000 | 60,000 | 68,000 |
| Advertising . . . | 15,000 | 16,000 | 23,000 | 24,750 | 25,300 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Difference . . . | 500 | 29,000 | 29,000 | 35,250 | 42,700 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

ADVERTISING-COST PER £100 OF SALES

(To two places of decimals.) £

| | |
|----------------|--------|
| 1907 | 103'45 |
| 1908 | 35'55 |
| 1909 | 44'23 |
| 1910 | 41'25 |
| 1911 | 37'20 |

ADVERTISING-COST OF EACH YEAR'S INCREASE IN SALES

| | |
|---|--|
| Increase in 1908 (£30,500) cost £1,000 or 3'3 per cent. | |
| „ 1909 (£7,000) „ £7,000 „ 100 „ | |
| „ 1910 (£8,000) „ £1,750 „ 21'9 „ | |
| „ 1911 (£8,000) „ £550 „ 7 „ | |

At the beginning it cost, as you see, £500 more to pay for the advertising than the total amount of the sales resulting ; and if you attach any credence to my theoretical curve of the relation between gross profit and advertising *ratio* you will rightly conclude that the article advertised was something showing a liberal margin. In the best year, more than 37 per cent of the sales was spent for advertisements. On the other hand, it appears to have been an article

which gave satisfaction to its purchasers, for they evidently went on buying. The cost of making new sales fell rapidly, after the business was fairly launched.

The most important fact disclosed by this set of statistics, however, is the one furnished in the concluding table, which analyses the appropriation into its details :

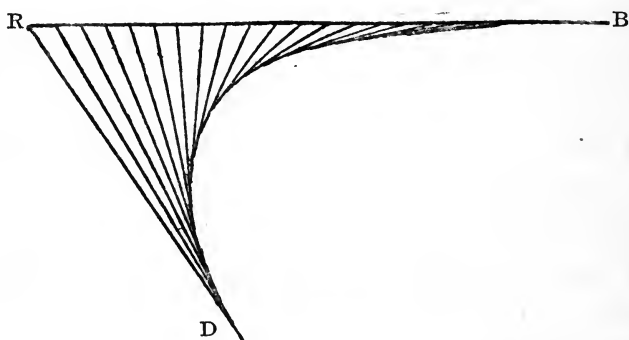
| | 1907. | 1908. | 1909. | 1910. | 1911. |
|------------------|--------|--------|--------|--------|--------|
| | £ | £ | £ | £ | £ |
| Newspapers . | 10,000 | 12,000 | 16,000 | 18,000 | 18,000 |
| Circulars posted | 3,000 | 2,000 | 4,000 | 1,000 | 500 |
| House to House | 2,000 | 2,000 | 2,900 | 3,000 | 3,000 |
| Samples . . | .. | .. | 100 | 250 | 300 |
| Billposting . | .. | .. | .. | 2,500 | 3,500 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Totals . . | 15,000 | 16,000 | 23,000 | 24,750 | 25,300 |

For convenience
let us put down
again the sales
of each year . 14,500 45,000 52,000 60,000 68,000
And also the
increase each
year on the
previous year .. 30,500 7,000 8,000 8,000

Look at the testimonial that the last two years give to billposting, for this particular product ! In 1910, £8000 of new sales might have been attributed to newspaper advertising, but next year billposting carries off the whole credit. Newspaper advertising, probably at its maximum efficiency when it reaches £18,000, is not increased. Postal work is cut down almost to nothing, and the only increased expense except posters is an extra £50 for samples. But the sale jumps another £8000 ; the total cost of selling falls more than 4 per cent

and the cost of getting *new* business falls nearly 15 per cent.

The relative figures of advertising and sales in any business keep on varying as conditions change. Fresh ideas are introduced in fresh ways, the *ratio* goes up and down, according to the success or failure of the devices used. This proves what I told you about the importance of being original. The effect is a curve, gradually getting flatter if the business is succeeding. You get some such curve as this :



This particular curve is known to mathematicians as the curve of pursuit. It is really supposed to represent the line followed by an animal which chases a moving prey. A dog (D) sees a rabbit (R). The rabbit sees the dog. The dog starts after the rabbit. The rabbit runs towards its burrow (B).

Now observe what takes place. As the rabbit runs and the dog runs, the dog's direction changes. The rabbit runs in a straight line—for safety. But the dog does not run in a straight line. He keeps his eye on the rabbit, and though he thinks he is running in a straight line towards it, he is not. He is running in a curve. Let us imagine that each of the divisions

marked on this diagram represents the distance travelled by the two animals respectively in each second. When the rabbit is at R the dog is at D ; but when the dog has run a little way he will no longer run in the line DR, but in the line which goes straight from where he now is to where the rabbit now is, and so on. Thus we get a constantly changing direction. The dog really runs in a curve formed by his own violent effort to run in a straight line, because his sense of the rabbit's position changes at every step. The more he tries to run straight, the more exactly he runs in a curve, a curve of which all the elements are found in a circle.

Even so, the advertising policy of a business varies from time to time, the managers very often imagining (like the dog) that it is continuous, whereas it is really curving into ever-increased efficiency.

I do not pretend that this last example bears the same definite relation to figures as the earlier illustrations of working towards exact figures in advertising. But as an illustration it has been much admired, and this has tempted me to show it again here.

LECTURE III

COPY-WRITING AND THE PRACTICAL PSYCHOLOGY OF ADVERTISING

Practical psychology in Advertising—Advertisement-writing—Nineteenth-century Advertising: the use of repetition—Twentieth-century Advertising: the appeal of reason—Improved literary form of modern advertisements—The appeal to emotion—'Reason-why' copy—The three functions of an advertisement: to attract, to convince, and to persuade—Attraction-value of pictures—Superior attraction-value of headlines—Suggestion by association of ideas—Uses of display-type—Headlines and headline-writing—Argument in Advertising—Use of pictures and diagrams—Putting the 'punch' into Advertising—The art of advertisement-writing—A highly specialised calling—English the best language for Advertising—The importance of studying the goods advertised—What makes a strong and what a weak advertisement—Importance of definite statements—Use and abuse of brevity—Change of copy—Epigram run mad—Slogans—Qualifications of the advertisement-writer—Cleverness no substitute for honesty—Two ways of writing advertisements—Psychological effects of type-forms.

IN the last Lecture, I tried to give you a general survey of the functions of Advertising, at the same time discussing, with examples, the monetary cost of exercising those functions for profit. But mere expenditure of money is only the mechanical part of Advertising. We ascend this evening to higher considerations. I am going to talk about what people rather like to call the psychology of Advertising, and then about the writing and construction of advertisements themselves. This is the work—advertisement-writing—which people who think of going in for Advertising as a career almost always select. Incidentally, no advertising man ever calls it that, though I may do so, to avoid sounding too technical. He calls it 'copy-writing.' And he does not think, as those outside the business

invariably think, that copy-writing is the whole, or the most important part, of the business. Only quite inexperienced persons—and those who do it—think that. Neither can copy-writing be done by the light of nature. It requires much training and much perseverance. Those who have not tried it never believe this. It has been said that every man thinks himself able to poke a fire, manage a wife, and edit a newspaper. The cynic who uttered this apophthegm would have added ‘write an advertisement’ if he had lived in our day, and been in the Advertising business, because people are always telling him so.

The ‘brilliant ideas’ that are always being offered to any advertising manager are, almost without exception, useless. They do not, and cannot, embody the policy of the business, because the writer cannot know this policy. Only an advertising man would be likely to divine it from the current advertisements themselves.

I said last week, as you will perhaps remember, that the policy behind any advertisement was more important than the advertisement itself. Policy is quite as much a problem of psychology as copy-writing. This science of psychology is much oftener talked of than understood in any scientific way. I do not want to claim for the remarks which are to be submitted this evening any such title as that of a lecture on this great subject—especially in this place.

The science which purports to describe the operations of the human mind has been called by one eminent professor of it the science of behaviour. I do not know that this is much more illuminating than to describe it as the science of how people think,

but it is certain that the only way to know how they think is to observe how they behave. In any event, to know the motives and causes of people's behaviour is at the bottom of the advertisement-writer's success, whether he is conscious that there is a science of them or not. He may never have read a manual of psychology. He may hardly be aware that such a science exists. But through experience in contact with other men, as salesman perhaps, or merely as one who enjoys observantly the society of his kind, the successful writer of advertisements is a man who knows how people think. He appeals to their reason, using the sort of arguments which he finds to carry conviction. He uses their emotions, employing whatever line of appeal his experience has found the most cogent. He does not overlook the effect of constant repetition in impressing the memory and influencing the action of his fellows. All this knowledge is essentially of a psychological nature, and someone has called the art of Advertising the practical psychology of persuasion.

Just before the advertising epoch which I asked you to regard as modern, repetition was used almost to the limit of its powers. It was invented as an advertising method about the middle of the nineteenth century, and great fortunes were made with it. This kind of Advertising followed an early use of argument and description. These had been used two centuries earlier ; they were, indeed, the method employed at the birth of English newspaper-advertising, in the period when Dr. Johnson declared that advertising had reached such a stage of perfection that it was impossible to imagine any improvement. It would be easy to find in old newspapers examples

of the plain, straightforward announcements in use in the 18th century. These were quite competent: but one would not call many of them bold advertisements. About 1850, enterprising traders began to use large and frequent announcements in the Press and on the hoardings, each consisting entirely of the name of the goods.¹ So large a business as that of Pears' soap was built-up on various manifestations of this one idea—that the word 'Pears' should be so constantly before the public eye, that no one could think of soap without also thinking of Pears' soap. They did not tell you anything about the goods—only that Pears sold soap. I remember many advertisements that did not contain even the word 'soap'—only 'Pears'—and one that did not contain even that in any prominent way, but a mere picture of the fruit and an intimation that this was the way to pronounce the word. And numerous products are still advertised by the title alone. The psychological method of this Advertising was, in a sense, an appeal to laziness. By the time you had had 'Pears' Soap' presented to your mind a sufficient number of times, you were very apt to say 'Pears' if the shopkeeper asked you what sort of soap you required. The resulting sale was a sort of fatigue-product, to borrow a term from physiology. If you liked Pears' soap when you got it home and used it, you would ask for it again because it agreed with your taste. Then, as now, the goods must be all right or the Advertising would be all wrong. Advertisers who had not discovered this last principle lost money then, as advertisers who do not give value for money lose it now.

¹ *Vide supra*, p. 3.

The appeal to reason is gradually supplanting, with a public of ever-growing intelligence, the semi-hypnotic plan of repetition. It is discoverable that if you give people a reason for preferring your goods, you do not need to spend so much on finding a customer, provided you give them a reason in the right way. That is what Advertising is for, never forget—to make a customer, through the merit of the merchandise advertised, not merely to make a sale through the merit of the advertisement. Advertising sells the goods once. The goods must sell the goods thereafter.

Following, though at a considerable distance in time, the improvements in printing and engraving which developed from 1880 onwards, a gradual advance in the attractiveness and propriety of advertisements set in. Display became more restrained. Illustration lost some of its ugliness. In pictorial and decorative design, and also in respect of pure typography, the best modern advertising gives little offence to taste. Dense and exaggerated black type has defeated its own purpose: even a very brief examination of a good modern newspaper will show how much artistic genius has been expended in the designing of type-faces which achieve by contrast of form the prominence which the old type-founders could only obtain by size and blackness.

Along with the improvement in material form has come an almost equally striking improvement in literary workmanship. Vulgarity and the coarse clamour of the old advertisement-writers have given place to simplicity not unmingled with epigram. The art of the descriptive writer has been adapted to the needs of commerce. A critical examination of such

newspaper advertisements as deal in detailed description would reveal much literary talent. The writer of advertisements must express himself with a most pellucid clearness. No word or sentence must fail to convey to even a careless reader vivid and immediate impressions. Verbiage and loose writing are excluded through the intimate necessities of the advertisement-writer's work. Every superfluous line either adds to the cost of the announcement, or will enforce a destructive crowding of the type. Where a man has to tell his story in such a manner as to be instantly understood, while yet using so few words that a limited space will permit the use of clearly legible type, he is forced to be a stylist in the very best sense. He must contrive an exact suitability of manner to subject, which is the essence of a good literary style. He dare not use any but the plainest and simplest words; and an almost Elizabethan directness is forced upon him. There is nothing really paradoxical in the opinion that practice in advertisement-writing of the best modern kind would be admirable training for any beginner in literature. Few novels of the circulating-library type are as well written as the best advertisements and advertising pamphlets.

This literary deftness is especially valuable in a form of advertising appeal which of late years has been increasingly used—I mean the appeal to emotion. Among commercial advertisers, the proprietors of an admirable infant-food, Glaxo, have been conspicuously successful. The picture of a nice, fat baby is material common to them and all their competitors. But an emotional note in the wording is characteristic of this firm's advertising, introduced

with reserve and admirably good taste, and backed up with sound scientific argument and good pictures. But of course the most prominent example of the emotional note in newspaper advertising has been the War Loan copy. When it is remembered that this produced subscriptions at only 0·7 per cent. of advertising expense, the efficiency of the emotional appeal is easily realised. One of the most successful of the advertisements produced by Sir Hedley Le Bas's Recruit-advertising Committee, of which I was a member, was the one which began, 'Father, what did *you* do in the Great War?' It was used in the press and as a poster. It was severely criticised in the House of Commons, and made me smart a little, for I think I was mainly responsible for this particular advertisement. But from official information it is known that this advertisement fetched the men. The coal-economy advertisements this winter have also sounded the emotional note.

The difference between the big-name advertisement and what is called technically 'Reason-why' copy is the difference between Publicity and Advertising in the strict sense. Publicity—'Pears' Soap' and nothing else: 'Oxo' and no more—announces. Advertising disseminates information, which of course is what the word really means.

A majority of newspaper-advertisements, and almost all posters, are a mixture of the two. You display the name of the product in large type. You describe it in small type. If the advertisement is not read through, the trade-mark has at least been impressed on the mind, and this has a certain value.

Obviously it has only a limited value. An advertisement has three functions to perform. It has

to attract the attention, convince the intelligence, and influence the actions of as many persons as possible. The last of these functions—less delicately known as clinching the sale—is, of course, the practical object of the advertisement, the reason for spending the advertiser's money.

Suppose we consider these three things—to attract, to convince, and to persuade—one by one, in a practical spirit. What is the most efficient way of attracting attention? By this I mean—confining ourselves, for the moment, to Press-advertisements—how can you obtain the *maximum* of attention with a *minimum* of space? Obviously there are two implements at your disposal—words and pictures. For the moment, everything in the way of decoration or artistic treatment, other than actual pictures, may be ignored, or regarded as a question of typography, with which I shall deal separately. The choice, as between word and picture, depends upon a great many things, when we bear that word 'efficiency' in mind.

As a general principle, there is no doubt in the matter. *Of course* pictures attract more people's attention than anything else, though the attention which they attract has not the same intensity as the attention attracted by words. When you next travel in the tube railway, watch anyone who has just bought an illustrated magazine. He may not be particularly fond of pictures. He may not have very much taste for art. Indeed, if he had, there would be little in most of these magazines to attract him. But whoever he is, or she is, *invariably* the first thing that happens is that the pages are turned over and all the pictures looked at. After this, the

story which has the most interesting pictures is read. Similarly an advertisement with a picture will be looked at; but it will not be read unless the picture is interesting. Mere beauty is not enough. The reader of a magazine turns from picture to picture: no amount of beauty in the illustrations stops his progress through the book. In the same way, an illustrated advertisement is always looked at. The problem is to make people read it. Pictures make a lot of people look at an advertisement, but they do not look so hard or so long at a picture as they do at a telling headline. When you have captured the eye with a picture you must hold it with your wording. In that wording you must tell the story that will sell the goods. And the place where you must look for the story to tell is in the goods themselves. An accomplished writer of advertisements has said, 'Though on the surface your product and the competing ones may be "as like as two peas" yet there is a way to make your product stand out from the rest like the one white pea in a pod.' You will not do this by peculiarities of typography or decoration. You must do it by studying the goods until you have found the selling point that gives individuality to what you advertise.

It is quite possible to have a picture in an advertisement that is too good. The main interest must lie in the message, not the illustration, if you want the announcement to sell the goods. Pictures have other uses than to attract attention; but when you are using a picture primarily to attract attention, you will be spending money on it inefficiently if it does not at once direct attention *from* itself to the text of your announcement. When it is practicable

to do so—and this happens oftener in a pamphlet than in a newspaper advertisement—always put a title, technically called the cut-line, under a picture. Words purporting to describe a picture are always read.

The character and taste of an illustration are important for their suggestive value. Psychologists have a doctrine of the association of ideas. When an idea has occurred once in connection with another idea, there is a probability that one of these ideas, if it recurs, will revive the other idea. This is rather an abstruse explanation of the perfectly obvious fact, that if you want to suggest good taste, quality, and refinement in your goods, it will be unwise to attract attention by means of an ugly, cheap-looking, or coarse illustration. But another association of ideas is worth mentioning. If the announcements of a firm are *habitually* artistic and beautiful, the firm becomes cumulatively associated in the public mind with ideas of refinement and good taste. The pictures may not necessarily represent the merchandise of the firm. Consider, for a moment, the posters used in the District Underground Railway by Messrs. Derry & Toms. It is not guessing very hard to consider that few of these pictures represent the actual goods for sale. Yet, by their very high character, and often their real beauty, they certainly lead one to believe that a lady who wanted pretty frocks and hats could not go far wrong by addressing herself to a shop that could choose such lovely poster-designs.

While on this subject of suggestion by association of ideas suggestions of one or two other kinds may be mentioned. One advertiser of plated spoons and forks hunted the world for perfect specimens of beautiful old lace, to be reproduced as backgrounds for

pictures of his goods. You could hardly think of a better association. The Cadbury advertisements and illustrations of 'the factory in a garden' contained a toothsome suggestion of cocoa and chocolates made in pure, clean air. An American pickle-manufacturer, Heinz, published in advertisements and on wrappings a standing invitation to anyone visiting the neighbourhood to come in and be conducted over the factory. Many came, and received a hospitable welcome; but many millions inferred by suggestion that the wares of this factory must be good, if the manufacturers could afford to let everyone see them made. A Scottish dyeing and



cleaning firm, Turnbolls Limited, of Hawick, adopted a very simple device for a trade-mark—just a circle with a T in it and the words 'The sign of good work,' and called their home-town 'Hawick-among-the-Hills.' What a suggestion of cleanliness and open-air that contains! And as for the 'good-work' device, it did more. Messrs. Turnbolls painted it on every basket used in the works, and put it up on the walls, on machines, and so forth, and it had an actually visible effect in improving the work done by their workpeople—through its suggestive value. No other dyeing and cleaning firm does nearly such good work. The sign helped.

The second way of attracting attention is by

words displayed in large type. I am not referring to the display of the title of the goods. This does not attract attention to the advertisement, unless the reader is actually looking for an announcement of a class of goods which he requires. It only ensures that he shall not turn the page without seeing the name. I refer to something other than the names of products—to what are called headlines. These attract in a way that I think a picture ought to attract—by provoking curiosity and interest. The association of ideas concerning the goods advertised with the taste of the advertisements is just as potent here as with pictures. You must use judgment. If a headline is sufficiently violent, it will make people look at any advertisement. But they will look with little benefit to the advertiser if their taste is shocked, their dignity offended. It is necessary to distinguish a little, though. We are here to discuss Advertising, and not exclusively advertisements which appeal to persons of good taste. Within limits, and if you are selling something exclusively to the uneducated, you may let yourself go a little : you may shock, astonish, or trick the reader with advertisements headed ‘ Murder,’ or ‘ A girl with three hands,’ or ‘ A Barking Man.’ The last was actually used, and attracted plenty of readers. It referred to a man who lived in the suburb of Barking, enjoying good health attributable to a justly celebrated pill !

Writing a good headline is an art worth cultivating. Such a headline should be dignified, relevant, sincere, and especially it must be calculated to awaken at least interest—if possible, curiosity. There is no sovereign recipe for the creation of headlines, but I can tell you one or two dodges. One, which

has often served me, is to write the headline either last, or after you have written some of the text. The text will generally be longer in the first manuscript than in the final proof, by the way. While the earliest enthusiasm warms your pen, and you are writing a thousand words or so that will presently have to be blue-pencilled down to something under a hundred, you will very often strike fire—and the spark will become a headline. Another way to find suggestions for headlines is to turn over some popular newspaper or periodical and read the titles of articles—especially the short ones. You will not often find anything that you can transcribe. But, if your experience is like mine, some association of ideas will often fling into your brain just the words that you want—words quite unlike anything that you are reading. But don't look for headlines in other people's advertisements. Most of these will be bad and all of them are best left out of your own mind. Be original.

Having adopted a means of attracting a reader's attention, your next task (you will remember my saying) is to convince his intelligence. Usually this will be by words. Sometimes a picture helps. As it is not desirable to have more pictures than you are obliged to have in any one announcement, it will be a happy thing if the illustration which attracts can also convince. Without laying down a firm rule—one advertisement one picture—because there are certain exceptions, it is certainly easier to avoid confusion, especially when the advertisement is smaller than half a page, if you can make one illustration suffice. But when another picture will strengthen the argument, use it. This will most often occur

when you are selling some mechanical product—a sewing-machine, a typewriter, a gramophone, a motor-car—where the distinguishing feature can be illustrated. Sometimes a very convincing effect can be obtained in a well-printed publication, if you use the picture in half strength all over except in the one distinctive feature : or you may picture the entire machine, with one part uncovered to show the mechanism. Suppose, for instance, it were a motor-car, with a particularly strong crankshaft, or a crankshaft of a distinctive shape. You could show this shaft in full strength, and the rest of the car in ghostly shadow. Or if it were a sewing-machine with a new needle-action, you could use a half-tone of the whole affair, with the front of the thing which carries the needle-holder taken off, exposing the reciprocating mechanism that moves the needle up and down. In either case the text would of course explain convincingly that this kind of crankshaft, or this kind of needle-shaft, was an indispensable feature of a good motor-car or sewing-machine. This kind of picture does arouse curiosity, and so it is a very useful kind for your purpose. But of course there are various devices—the arrow, pointing to the distinctive part ; or the little tablets, with words explaining different features—that you can use. It is useless for me to tell you what *can* be done. The important thing for me to impress upon you, is the desirability—nay, the necessity—of thinking out a way of your own. It is originality, initiative, ingenuity that make an advertisement-writer.

Of course there are objects which do not admit of this kind of picture. There are objects that cannot be pictured at all, in this sense. A picture is not

the same as an illustration. You cannot make a picture of what a particular kind of tobacco tastes like, or how a brand of underwear feels. Neither can you draw the interesting nature of a book, the protective quality of a disinfectant, or the advantages of an insurance company. You may draw something suggestive of these: as one insurance company used the Rock of Gibraltar to typify its own impregnable stability.

I am going to discuss advertisement-writing—or copy-writing, as it is technically called—in more detail immediately, after finishing with the three duties of an advertisement—to attract, to convince, and to persuade. If your middle portion, the portion that convinces, is done properly, the battle of exercising influence, or clinching the sale, is nearly won. You have now to use the final argument which will send the reader to the shop, or make him write a cheque and a letter. Advertising-men use an expression—a piece of advertising slang—which suggests rather amusingly the right treatment here. They talk about putting the ‘punch’ into an advertisement. This element, not very easy to describe—this ‘punch’—does not belong only to the conclusion. It should be inherent in the whole. It means making the advertisement, by picture, argument, and conclusions, irresistible. It means making the reader feel that he *must* have the goods, whatever the cost. There is only one recipe for it. You must believe that he *ought* to have the goods. You must be enthusiastic about them yourself. And indeed there is no other way to write advertisements that will sell anything. Enthusiasm of the right kind will teach you to put your claim into words that

burn, and satisfy you that it is enough to tell the simple truth. The goods must be too good to need exaggeration.

Coming now to the actual writing of advertisements, I must warn you that neither I nor anyone else can teach you to do this by merely talking to you about it. All I can tell you is that you have to produce a psychological effect by literary means. You have to find the words which will make the reader of them see what you see. It isn't done by reading other people's advertisements and trying to write something not much worse, any more than writing a novel is done by studying other novels. Young advertisement-writers and young novelists always begin like that. I began thus—in both fields. But until I went to direct observation of life for my novels and direct study of the goods for my advertisements, I never wrote a novel that any publisher wanted to pay me for, or an advertisement that would have sold half a crown's worth of goods. It has been said, in words worthy to be erected in letters of gold in every advertiser's copy-room, that in advertising it is necessary to say new things and striking things about the goods; but that the way to make good advertisements is not to study new and striking words, but to study the goods.

That is the root of the matter, and it cannot be asseverated with too much force, or said too often. You must live with the goods, buy the goods, and believe in the goods, before you can make other people believe in them and buy them.

I am not saying that this is the whole art. Advertisement-writing is a highly specialised calling. It is not enough to know how to write good English—

though the best of English is not too good. If you have not a good English style, you must acquire one : and the only way to acquire it is to read with loving attention the work of the masters of English. Whatever success may seem to be attained by those whose practice is otherwise, there is no occasion to write ungrammatically or use slang in order to put the 'punch' into your writing. Read the speech of Henry V before Agincourt, in Shakespeare. It is the purest, most pellucid English, and nothing ever written in any language ever had more 'punch' in it. Read 'Paradise Lost.' It is as full of ringing phrases as any that an advertisement-writer joyfully underscored for headlines. I never read the essays of Lord Macaulay—and I read them often, with loving admiration—without reflecting what a glorious copy-writer he would have made ! You will write better English if you know the classical languages, and French too, for their precision ; but English is a better language than any of them for your purpose. It is the best language in the world for advertising. It is flexible, copious, vigorous, and it is richer than any other modern language in synonyms. Each word which the 'Thesaurus'—that useful book—offers you, has some shade of different suggestion in it, acquired through association of ideas from derivation, from its very sound, from the use to which it has been put in a literature with which all speakers of English are unconsciously saturated, however humble, however little literary. I hope that whatever else you may do, if you adopt the calling of advertisement-writing, you will do nothing to debase the currency which is your heritage. Nothing can give more force to what you write than English undefiled. There

is a text-book, which I venture to recommend to copy-writers, to help them in avoiding slovenly, slipshod English. It is called 'The King's English,' published at the Clarendon Press, Oxford, and in London by Henry Frowde.

I have said that copy-writing is highly specialised work. It is required of the copy-writer, as of the actor, that whatever he does, he must never be otherwise than clear. Taking as his material a mass of complicated facts, he must disentangle what has to be said and present it with pellucid simplicity. If you have ever sat in court and heard a barrister expound his case to a jury, you have had a lesson in copy-writing. He has a certain case to prove. He arranged the facts in their order—facts, facts, facts, and again facts—and he marshals them to the proof. When he reaches it, he gives the jury the opportunity to draw the right deduction. He does not labour the point. His effort is to make his last sentence final—to make what he wants them to do the only possible thing that they *can* do. And all through, he has never uttered a sentence which contained the smallest ambiguity, never used a long or a strange word where a short or a familiar one would serve, never sought to seem clever, but rather to make his jurymen feel that they themselves are clever for being able to agree with him.

Thus, and not otherwise, should advertisements be written. I would especially emphasise the danger of being too clever—or making yourself seem clever. An advertisement which gives the reader that impression almost always engenders suspicion, where every advertisement should beget confidence. Facts, definitely stated, are what sell goods. Cram your

advertisements with them and you will go far. It is fact that people want about the goods that they are asked to buy. The mistake that an advertisement-writer most often makes is that he gives the public his opinion about the goods, instead of facts about them. The public does not want to know what you think, but what you sell.

That is one reason why you must study the goods. If you look closely at any product, you will always be able to find distinctive character in it. The fact which distinguishes your product from another is the one on which you should dwell. It has been cynically said that the art of advertisement-writing is to find out wherein a product is distinctive, and say that this is the only thing that matters. Oftener than not, a manufacturer, when he comes for advice about Advertising for the first time, tells me that his article is just the same as his competitor's. I put him to the torture, and after a while he exudes distinguishing points at every pore. But when you do this, be careful. The thing which people will most readily admit is the wretched quality of the stuff the other fellow makes. This is dangerous material for the advertisement-writer. If you go to work to tell the public about the undesirable qualities of your competitor's goods you are more likely to set them against the whole class than to sell your own goods. I can think of nothing much less likely to promote the sale of a beer than the statement that it contains no arsenic. You don't want people thinking about arsenic when you are talking about beer. Negative advertising is barren and dead. It is positive talk that obtains action. The less you say—and even think—about competition the

better your copy will be. Do not even allude to the rival product by using degrees of comparison in your adjectives—whether the comparative degree or the superlative. Say that your soap is good soap, if you can't find anything better to say; but don't say it is the best soap. Superlatives are always weak. They do not command credence. The moment you say 'best' you suggest the idea that as all advertisers say their goods are the best, it cannot be true of all of the goods that are advertised. (They don't all say that, but people are constantly saying that they do.) The superlative has been over-worked. Let us give it a rest.

One great objection to the superlative is that it does not carry the idea of definiteness. And definiteness is important. As I said just now, the public does not want to hear what you think. The public wants to hear what you know. Facts are nearly always definite, opinions are nearly always the reverse. Facts convince. Opinions often suggest an objection. The more concrete you can make your statements of fact, the more convincing they are. To say that a particular plate-polish is better than any other does not carry much weight, because it is indefinite. What you state is a matter of opinion. But if you could say that this plate-polish had been adopted at the Carlton, the Savoy, the Ritz, and the Midland Grand Hotel, instead of what they used before, you would be saying something definite—something that the reader could investigate for himself. If you said that a particular kind of umbrella had a larger sale than any other, the credence of the public would depend upon what the public thought of your veracity. But if you said that

1,347 of these umbrellas were sold at Harrod's last week you would be believed. I do not know of anything more powerful in soap advertising than the statement constantly used by the American Ivory Soap Company that Ivory soap is 99·44 per cent pure—far stronger than saying it is absolutely pure. People like exact figures better than round numbers. One firm doing a mail-order business—that is, selling goods by post—found that odd prices did a lot to sell goods. A woman's hat at 15s. 3*d.* sold better than the same hat at 15s. This firm had the discretion, however, not to catalogue everything at broken prices. Contrast was needed.

One of the things that are most talked about and least understood in connection with advertisement-writing is brevity. An advertiser will almost always say the copy is too long, even when he is insisting upon all sorts of points being mentioned in each separate announcement. Young men in advertising-agents' copy-rooms call the man who wields the blue pencil the 'copy-butcher'; but the man who rises to this bad eminence knows his work; otherwise he would not have risen. Often you can save words and say more. If you cannot boil the whole story down to manageable dimensions in one announcement, you can sometimes tell it by instalments. Treat one selling-point at a time, and trust to the superior interest of copy that is not too severely condensed, to bring the reader back next time. You obtain what is called cumulative effect not by repeating the same advertisement week after week, but by a connected series. The general design or lay-out should connect the advertisements. They should be recognisable at a glance. But the

argument should develop from insertion to insertion.

In all advertising, change of copy is desirable. The lazy way of repeating the same copy year in, year out, is not efficient, not modern. Exaggeration is out of date too. The public is unlearning by degrees the habit of deducting 50 per cent from what an advertisement says, and all of us ought to do our share in winning confidence for all advertising by the sobriety and truthfulness of our copy.

What is called with irony 'fine writing' has no proper place in Advertising. The epigram that crystallises truth is your literary opportunity—as when a certain brewer called his product 'the beer that made Milwaukee famous' and a breakfast-food man described his porridge as containing 'all the wheat that's fit to eat'—but it is seldom wise to be funny in an advertisement. An example of epigram, which some people might think excessive, occurred in the well-remembered closing offers of the 'Encyclopædia Britannica,' somewhere about 1900. This great work was offered at half its original price for a limited period—ending on December 31. On the 20th, an advertisement appeared, reminding the public that there were only eleven days left in which to take advantage of this offer, and adding that *one of them was the shortest day in the year*. It was utterly irrelevant, but it certainly focused attention. Some years ago Fels-naptha soap was very extensively advertised with the offer to give the money back if the purchaser should not be satisfied. Tram-tickets were one medium used—of course with very short copy. I was shown one: 'Why money back? Nobody wants the money'—the name of

the article not even mentioned ! Although this was the work of one of the greatest masters of advertisement-writing, the late John E. Powers, it was epigram run mad.

Mr. Powers relied, of course, on the prevalence of his ' money back ' advertising to supply the association of ideas. He asked the reader to do a little thinking—using the manner of Milton rather than the manner of Dante. It sounds, in theory, a good idea to make your reader do some thinking—to imply, rather than state ; to stop short before reciting the inescapable Q.E.D. But according to my practical experience, I do not believe this is right. You will do well if readers believe all that you tell them. You must not expect them to supply any part of the argument themselves. As Dr. Johnson said, ' Advertisements are negligently perused.' Had he been an advertisement-writer I do not think he would have expressed himself just like that ; but he would have done well to remember the fact. I think the psychological explanation of it is that when people are being asked to buy anything they are always on their guard. The maxim '*Caveat emptor*' has shot its bullet deep into their souls.

Of course all this is part of what I said before, about not being too clever. The negligent reader of advertisement is apt to take you too literally. If you are advertising the superiority of a fine butter and wind up with a hit at cheap butters like this : ' Poor butter is a poor thing ; better buy margarine,' they may take you at your word. There are some phrases that win fame and build reputations, but there is no dubiety about them. The invention of what has come to be called a ' slogan ' is a real

advertising achievement. The Kodak slogan, 'You press the button, we do the rest', has almost passed into literature. Another, 'Perfectly simple—simply perfect', did not do so well: I doubt whether anyone in this room will remember what it belongs to. And that brings up a really important consideration. Sometimes a slogan isn't a slogan until it has been printed sufficiently often. The famous 'Good morning, have you used Pears' Soap?' had nothing of intrinsic merit in it: it is nothing like so good on the face of it as another used by the same firm, 'The King of Soaps: the Soap of Kings.'¹ What made the 'Good morning' phrase look clever was merely its constant repetition. A rival soap-boiler had the bad taste and poor judgment to parody it. He published an advertisement consisting entirely of these words: 'Yes, but ——'s Soap is better; Good night.' It is never a good plan to refer to a competitor's advertisements.

I do not want to say very much to-night about the qualifications required by a writer of advertising-copy. That will be a matter for discussion in my sixth Lecture—the Lecture partly devoted to Advertising as a career. But I must repeat one thing about the most important qualification of an advertisement, and this implies the frame of mind and the character of the man who writes advertisements. After some things that I have said to-night, you will not be unprepared for the remark that a good advertisement is, in a sense, and to a certain extent, a work of art. Now it is the peculiar attribute of a

¹ This phrase has been claimed by another advertiser, the proprietor of Kutnow's Carlsbad Powder; but it was much more intensively used by A. & F. Pears.

work of art to betray the character of its maker. An insincere man or a man in an insincere mood cannot write a sincere advertisement. This is no job to adventure with tongue in cheek. The greatest copy-writers have had an almost ungovernable passion for truth. I am not sure that their genius was derived from anything else. Cleverness will not replace it ; I have warned you, and I shall warn you once more before we part, against the dangers of cleverness. An advertisement-writer must have the integrity to write the truth, and the imagination to realise that nothing but the truth can produce the effect at which he is aiming.

But when I tell you that cleverness is no substitute for honesty, I do not in the least want to imply that the copy-writer who tells the pure and simple truth in his advertisements needs less cleverness than the one who prefers the other thing. Someone has said that the truth is seldom pure and never simple. Telling the truth is a harder job when you are writing an advertisement than at any time else. It is a great deal easier and more showy to exaggerate and colour your statements. But this is not good advertising. It does not really sell the goods.

What is required in order to write truthful advertising is mainly courage, in reality. Enthusiasm will help you, as I have already indicated. But it looks so easy to write a thing up a little, and it is so difficult to put the truth in a favourable light and leave it there, that quite a little nerve is required. If you want to succeed in copy-writing you must cultivate the nerve as well as the knack.

One practical remark that I must add is far removed in spirit from what I have just been saying.

If anyone here enters upon the career of a copy-writer, he will not be long before he discovers that there are two ways of doing his work. One is to write advertisements that will sell the goods. The other is to write advertisements that will please the advertiser. The second is the base and easy way. It is practised by certain advertising agents. Of course an advertiser ought to be a judge of copy. The fact that comparatively few advertisers in this country are judges of copy, and yet that they make enviable profits, only proves what an extraordinarily powerful commercial weapon advertising is. An advertiser often has prejudices and prepossessions which are so deeply ingrained in his mind that they can be easily divined. He will pass any piece of copy that conforms to them. You can see what a lot of thinking this saves the copy-writer. He does not have to study the goods. He only has to study the advertiser. He can thus be temporarily quite successful in earning money. Nemesis awaits him. But he has a glittering time of it for a while.

Some advertisers bring this kind of thing—which is essentially dishonest—upon themselves. They are conceited and hypercritical. They will take a long-considered, strenuous, well-balanced piece of work, and insist upon cutting it up and altering it until its own father is ashamed of it. On the other hand, there are copy-writers whose bump of self-appreciation is so swollen that they are with difficulty persuaded of any imperfection in their work. When I get into an argument with an advertiser about any piece of copy that I have made for him, I always do a little heart-searching and try to find out whether the trouble is that I am up against a pig-headed and

senselessly obstinate copy-butcher, or whether he is up against something of the same sort of thing in myself. I advise the application of a similar test on similar occasions.

A part of the advertisement-writer's work is to give to his copy a suitable typographical form. This is done by selecting type-faces, and making a sketch, called a lay-out, to indicate to the printers how the job is to be set. The most important thing is to use legible characters and to balance the black lines in proportion to the small type, or (as it is often called) the grey portion, in a comely manner. You mark a line '14-point Cheltenham Bold,' and so on, and show just where you want the printer to place it, not forgetting that bold headlines require some smaller, lighter-faced type to give contrast. There is a subtle psychological effect in type. Plain, unornamental letters are like simple, unaffected speech: they suggest sincerity. They look you in the eye. Someone has said that you can't print a lie in Caslon old style. The paradox contains the kind of suggestion that I mean. The type and lay-out that are proper to one subject are quite unsuitable to another. It is not fanciful to say that a kitchen stove advertisement would stand any degree of black, strong type, while no one with any sense of appropriateness would use heavy display-lines to advertise lace or ladies' perfumery. By seeking an appropriate typography for each product which you are going to advertise, you will avoid what I regard as a very serious fault.

Finally, I cannot too strongly impress upon you again, herein as in everything else, the importance of being original. You must not even copy yourself. However it may flatter a man's vanity, it is not a

sign of good work that people should be able to say, the moment they see an advertisement, 'Oh, that's so-and-so's work.' To make advertisements like that is a great temptation. It makes a name for a man. But that is not your duty. You are spending another person's money. It is obligatory upon you to spend it for the purpose of making his reputation, not yours. Neither in wording nor typography should an advertisement make *your* individuality conspicuous, but only the individuality of the product which you are helping to sell. And, in the end, that is where your own success will lie too. For in Advertising, as in war, no excuses are tolerated. If you do not sell the goods, you will have to go.

LECTURE IV

THE HALL-MARK OF COMMERCE : TRADE-MARKS AND RETAIL ADVERTISING

The interest of the purchaser paramount—Economic importance of enabling consumer to recognise goods—Advertising without a trade-mark, and trade-marks without Advertising—Economic usefulness of trade-marks—Advertising expenses should be capitalised—Trade-marks and the Common Law—Origin of trade-marks—The appeal of the picture—Trade-marks: effective and ineffective—Some trade-mark dangers—Trade-marks must be protected—An official attack on trade-marks—Trade-marks that are dangerous—The substitution problem—Two kinds of substitution—When substitution is illegal—How to checkmate substitution—Mascots—The essential requirements of a good mascot—Organised maintenance of retail prices—Retail Advertising—The shop an equivalent of a trade-mark—Retail and wholesale advertising contrasted—When retail advertising is news—When retail advertising raised the circulation of a newspaper—Departmental store problems—A Canadian departmental store and its mail-order business—Retailers in special lines of business: their problems simpler than those of mixed retailers—What a retailer should advertise—Wholesalers' advertising to shopkeepers—The commonest defect in trade-paper advertising.

AN important problem in practical Advertising is to make sure that the customers whom you have obtained by your announcement shall buy, in consequence of them, *your* goods, and not anyone else's. It is no less important, of course, that customers obtained by the good quality of your wares, whether advertised or not, shall be able to recognise them next time. And I do not think you will deny that the public has an interest in the matter too, so that Advertising which identifies the goods has real economic value.

Indeed, in all aspects of Advertising, if Advertising is to be morally and economically justified, it is important to consider the interest of the purchaser.

In the majority of instances the purchaser of any unadvertised article knows nothing at all about the place and conditions of its manufacture. He is compelled to rely either upon his own power of distinguishing one quality from another, or upon the integrity and self-interest of the retailer. This may be enough. But in many cases the utmost care would not protect a purchaser. For instance, no one but an expert can distinguish a good razor from a bad one, without trials extending over some time. A poor razor may shave comfortably enough for a time. It is only by using it for a week or so that the purchaser discovers that, being improperly tempered, it will not hold an edge. The careful shaver, when providing himself with a new instrument, consequently looks for the name of the manufacturer on the shank. Unless this name has been made familiar to him he is in no position to take advantage of it. Everything depends upon identification. And similarly, the housewife who orders household commodities is rarely so expert in distinguishing one quality of goods from another as to be able to tell, without actual trial, what kind of sugar, starch, or coffee yields the best value for her money. Even when she has learned that the two-and-sixpenny tea of a certain grocer is a good tea, and agreeable to her household's palate, she has no means of assuring herself next week that the tea she buys at the price will be the same tea as before. She is wholly at the mercy of the retailer, because she cannot identify the blend of tea; and if she removes to another neighbourhood she may be utterly unable to obtain the same commodities.

Retailers naturally like this kind of thing. Quite

elaborate precautions are sometimes resorted to, in order to conceal the sources from which a shop-keeper buys. In many trades considerable opposition would be excited by any marks on packages indicating the manufacturer's name. This is a relic of a very old state of affairs, which Advertising is doing much to correct, and the rule does not apply to all commodities. Biscuits, for instance, are generally sold on the reputation of the manufacturer even when they are not advertised. Some textile manufacturers, although they never advertise in the general Press, are known by name to many consumers. But in this trade, secrecy as regards the manufacturer is very general, and some manufacturers and wholesale traders who would be very glad to make themselves known to the public are deterred from doing so by fear of retailers' objections. I have even seen in the *Drapers' Record*, the leading trade paper, read exclusively by the trade, announcements which did not bear the advertiser's name, but only an intimation that this could be ascertained from the Editor!

The advertiser's interest in his goods being recognised is identical with the consumer's, just as the interests of seller and buyer should, in all sound businesses, be mutual. This is the same as saying that it is best for manufacturers to put a trade-mark on their goods, and for consumers to prefer goods which bear a trade-mark. If you buy a silver spoon, you look at the hall-mark. Trade-marks are the hall-mark of commerce.

A trade-mark that has been properly advertised has tangible value. It can be sold for money. And this value protects the purchaser of the goods—an important economic fact. For it makes it necessary

to keep up the quality. If the quality were allowed to fall, the reputation of the brand, and consequently the manufacturer's investments in advertising, would be imperilled. The public, being able to recognise the goods, would avoid them. If you are not going to give honest value for money, shun trade-marks and abstain from Advertising. The expenditure of the owner upon Advertising is what creates property in trade-marks, and it ought to be capitalised. If you write off every year the moneys spent in that year's advertising, regardless of the fact that some of the resulting sale will arrive next year and for years afterwards, the accountant is destroying the advertiser's property. It looks, on the surface, like a very prudent and conservative policy. But it is the very reverse. A man who writes off the whole of his advertising every year will not be able to sell his business on the basis of his books. The goodwill created by Advertising should be capitalised, and should show in the books of the firm, because it represents the accumulated value of the trade-mark. If every shilling in the banking account of a firm like Bovril Limited, or the proprietors of Wolsey Underwear, were confiscated, every stone in its factories thrown down, every bottle of Bovril or suit of underwear in stock destroyed, the firm would still be the proprietor of an invisible asset more valuable than the material properties destroyed—its trade-mark and goodwill.

It is evidently difficult to advertise anything which does not carry a brand of identification. If you had an unassailable monopoly in a commodity like milk or beer, owning all the cows or all the breweries that could conceivably exist, or if you had

a patent on some article, and were content to give up the business when your patent expired, you could command the market by advertising the product by name, without branding it. You may say that it would not be necessary to advertise at all, in a position like that. But this is a mistake. However indispensable a commodity may seem, the sale of it will yet be increased by advertising. When one of Lord Northcliffe's enthusiasms gave Standard bread a big advertisement, the consumption of bread rose all round. Advertising does not merely direct the course of demand. It creates demand.

I have said that it is difficult to advertise profitably without a trade-mark; but it is not impossible. Before the war, some very extensive advertising of currants was done, through a Mincing Lane combination, said to have been supported by the Greek Government. A steamship-owner advertised bananas, in order to increase freightage. The tea-growers of India tax themselves by a percentage on their production, in order to advertise tea, quite apart from the advertising of particular brands, thus increasing general consumption.

I have mentioned the possibility of advertising without a trade-mark only for the sake of completeness. The one really important aspect of it is Retail Advertising, where the shopkeeper advertises his shop, and obtains his profit on the advertising through the fact that the people attracted by it must come to his shop and no other. He will, of course, advertise the goods, and he thinks it is only the goods he is advertising; but really he is advertising the shop, because if he had not the shop, advertising the goods would not profit him. The

shop is really the equivalent of a trade-mark. People attracted by the advertisements will go there, and not elsewhere.

In the overwhelming majority of manufacturing and wholesale businesses a brand or trade-mark is used. It is greatly to the benefit of the public that trade-marks should be used, as I have already shown. Trade-marks existed long before any legal *status* was given to them. In the days when most tradesmen were small manufacturers, as the baker and the tailor are to-day, a blacksmith who made, for instance, a success through the merit of his spades, would stamp his name on the blade or the handle. The farmer, sending his man to the market-town, would tell him to buy a spade at this man's forge, and at no other. The name on it enabled him to be sure that the messenger had faithfully obeyed instructions. Presently, when wholesale business began to develop, the spade with a known name was easier to sell than the spade without any authority behind it. Middlemen preferred the branded article. It was easier to sell, and gave more satisfaction to their customers, who could, moreover, go back to the manufacturer if they had any complaint, instead of blaming the middlemen.

Although, in those early and rudimentary days, there was no law of trade-marks, a protection existed, whether it was taken advantage of or not. The same protection still exists. The Common Law of England has always recognised that the purchaser demanding a given manufacturer's wares has a right to obtain them, and that anyone who deceives him herein may be restrained, on the demand either of the purchaser deprived of the goods that he wants,

or of the manufacturer deprived of his profit. Very often a mark that cannot be registered, or even that has been expunged from the Register of Trade-marks because it was improperly admitted, can be justified at Common Law, on the ground that the public must not be deceived.

The law takes the same view which I have constantly tried to impress upon you—that the consumer's interest is paramount. If the owner of a trade-mark or a brand is protected, it is not for his benefit alone, but for the benefit of the public. It is for the public interest that consumers should not be misled when they demand goods of reputation.

A trade-mark, to have practical value, must be associated with a name. Otherwise the public cannot ask for it. It can, in fact, consist—with certain statutory and legal reservations—of a word alone, or a word printed in a particular manner, even if not associated with any picture or device. A picture or device has value, however. I have been in countries where the people could not read English; but they identified goods by the English manufacturer's pictorial trade-mark. In India, for instance, Horrockses' calicoes, I noticed, were not called by his name. They were called by some Hindustani name such as Rani-ka Kapra¹—Queen's cloth—but they had a picture on the bale, and without the picture the prudent Hindu would have resolutely refused the goods.

The appeal of a picture is world-wide. Therefore, if you are called upon to design a new trade-mark suitable for advertising, be careful to design it so that it is an advertisement in itself when it

¹ Pronounced Rahnee kã Kupra.

appears on the goods or on the package which contains them. You are going to send something to the shopkeeper to sell, nine times out of ten. Let your package, with the trade-mark on it, be distinctive. Let it also, as a rule, be showy. Most of the successful novelties advertised during the last few years have had a good package to help them, and an article that lacks this advantage is unnecessarily handicapped. It is just as easy to design an efficient package and just as cheap to print it, as to design and print the other kind.

This does not only apply to goods sold in shops. I recall an amusing example in the business of a manufacturer of cement. He had a trade-mark, of which the most important part was an arbitrarily-coined name. But the trade-mark had been designed by an artist who thought that his business was to design something as complicated and fanciful as possible. He also kept in the fashion, designing the same kind of mark that was in the most general use, just as cigar manufacturers seem determined to have their box-labels as nearly all alike as possible. The consequence was, that when a bag of this man's cement had been opened and spilled a little, and kicked about generally, even he himself could hardly tell it from his most deadly rival's. Presently an advertising-man persuaded him, among other things, to cut out all the ornamentation and have the name printed in the largest, plainest type that could be found, right across the bag. Nowadays, I am told, hundreds of these bags are to be seen round buildings in course of erection, and the name of the product is clearly visible across the street. The manufacturer would not go back to the old mark on

any account. He realises that one of his cement-bags is almost as good an outdoor advertisement as a small poster.

Of course, this would not be of any use to him if the name were not a good and a distinctive one. Coining a name for a trade-mark is not easy. By statute, it must not be a geographical or descriptive name—for if one man were allowed to monopolise the name of the place where an article came from, or the generic title of it, he would have an unfair advantage. China tea, West Indian bananas, French silk are descriptive terms, as well as geographical names: therefore they cannot be registered. A trade-mark must not be in any way descriptive. You must lend descriptive value to it by your advertising. Just as I said, last week, that a slogan really only acquired efficiency after it had been used—after it had been advertised—so, in the same way, a name that is quite meaningless at first may acquire a semblance of appropriateness. ‘Kodak’ meant nothing, ‘Vaseline’ meant nothing, until advertising associated them in the public mind with the products to which they were applied.

The very happiest inventions in this way have been coined words that do carry a suggestion of meaning, without coming within the ordinance against descriptiveness. It is often said of words like ‘Tabloid’ and ‘Pianola’ that there is a fortune in them. There is no fortune in them until they have been advertised, though. ‘Tabloid,’ formed on the analogy of diminutives ending in ‘oid,’ is, of course, a mere variation of ‘tablet.’ It sails very near the wind, but it is entirely lawful.

One trouble that arises in connection with such

words is this, that when they have been long advertised, the public forgets that they are trade-marks. They are then used generically and people think that any kind of compressed drug is a tabloid, any player-piano a pianola. This leads to difficulties of several kinds. There is a risk that a trade-mark might be invalidated if the owner allowed the name to be used as a general term.

This is no imaginary danger. The law is sedulous in protecting the public against abuse of its statutes. If I neglect to safeguard my trade-mark against abuse, I thereby create a general sense of security in the use of the name. Although it is incumbent upon people, theoretically, to be careful lest they infringe a trade-mark, the owner must not feel too secure if he allows his mark to be infringed with impunity by a number of persons, and then suddenly wakes up and proceeds against one individual. That one might say that he had been led to spend money on making up goods with the mark, believing it to be common property, and that he was aggrieved by being now interfered with. Suppose, for example, that the Chesebrough Manufacturing Company, who own the trade-mark 'Vaseline,' had allowed other petroleum jellies to be sold by this name, taking no steps to prevent this during a number of years. It might be very hard upon one chemist, who had bought a stock of bottles with 'Vaseline' cast in the glass, and a stock of labels, and a stock of petroleum jelly, to be pounced upon for doing what other people had done with impunity for perhaps ten years. It is impossible to say that the Courts might not hold that the action of the Chesebrough Company contributed to the chemist's mistake, if it were shown

to be an honest mistake, and that the Company was either estopped from taking measures to restrain the chemist, or liable to compensate him for his investment and for the goodwill which he had established. I do not say that this would be the view that the Courts must take, but it is a view that they might take. In some countries such a view has undoubtedly been taken by the law.

Not only, therefore, is it a good rule that if you register a trade-mark you must stand behind it and protect it against infringement, but also it is a measure of commercial prudence to take care that your mark is known as a mark. The words 'Registered Trade-mark', or some equivalent, should be printed in connection with it. If you look at a bottle of tabloids you will see that Burroughs Wellcome & Co. add the words—in small type—'Tabloid Brand.' That is done to indicate that the word 'Tabloid' does not merely denote the shape of the tablets, but their being manufactured by themselves. The word 'Pianola' is often used conversationally to mean any sort of player-piano. If printed in a book or inserted in a dictionary in that use, it would be prudent for the Aeolian Hall people to protest against this. In point of fact, I believe the word 'Kodak' was inserted in a dictionary and defined as a hand camera, and that Kodak Limited compelled the publisher of the dictionary to add words to the effect that 'Kodak' meant a hand camera manufactured by themselves: and I know that if you print the word 'Kodak' with a small 'k' in a book or newspaper, Kodak Limited will write to you and point out that this word is not a generic term, but private property. This is no doubt

done as a precautionary measure, so that the name may not creep into common use.

I have dwelt upon this part of the subject because the indefinite danger which I have described became, for a time, a definite one last year. The Board of Trade introduced into Parliament a Bill which would have actually invalidated a name trade-mark which came into general use, being wrongly used as a descriptive word in the way that 'Vaseline,' 'Pianola,' and 'Kodak'—to name no others—are misused. This iniquitous measure proposed to penalise the efficient advertiser, who had made his name a household word, by enacting that anyone might use the same word, so long as he did not hold out the goods as the product of the advertiser. I do not know what the effect of this might have been on our commercial situation in the United States, and elsewhere. Hundreds of American trade-marks in this country would have been endangered, and reprisals would have been taken, perhaps to the great injury of British exporters. However, it is fortunate that a number of English advertising men raised a protest—I was one of them—and the Bill has been dropped.

The real object of it, I suspect, is one which could have been accomplished by other means. Certain German chemical manufacturers have sent to this country patented coal-tar derivatives with names that are dreadful jaw-breakers in the correct chemical nomenclature, which is basically common to all languages. By giving these products popular names, they did no more than was commercially necessary. You could hardly expect a man with a cold to ask the chemist for ten grains of phenyldimethylpyralon :

so this compound was renamed antipyrin. Even doctors call it that. If you asked for aspirin and the chemist offered you acetylsalicylic acid, you might easily think he was trying to sell you a substitute. As fancy names for coal-tar derivatives had often been registered, the Board of Trade clumsily thought to get rid of the monopoly in the drug itself which had been thus cunningly created, by invalidating the trade-mark rights in the name—the only name by which the drug was generally known. But there was no occasion for this where the names were registered; and where they were not registered, there was no need of an Act of Parliament. I shall presently explain to you that if the only name of a new patented invention is registered as a trade-mark, the trade-mark dies with the patent.

Many trade-marks perish through inherent defects. The framer of them does not take good advice, and by some act of his own enables other people to destroy his rights. He perhaps adopts a name that is so nearly descriptive that the ordinary descriptive name sounds exactly like it. He cannot be surprised if the trade-mark name always sounds like the name that is common to all, when heard by a shopkeeper. He may go to work, as a man had done who came to see me a week ago, and spend money to advertise a name, and then, and only then, think of registering it. As soon as he does this, he finds that the name is registered already by some one else, whose attention is called to the quite innocent infringement by the attempt to register. Or he may do a number of things which deprive him of the protection which he might have obtained.

The kind of mark that is safest from mishap is a proper name in the possessive case—Pears' soap, Scott's emulsion, Day & Martin's blacking, Brown & Polson's corn-flour. The only danger here is through the misplaced energy of the advertiser who introduces some descriptive words between the possessive and the generic word. Even if it is there in the trade-mark, where it may sometimes be harmless enough, it must be kept out of the advertisements. If Messrs. Scott & Bowne had advertised Scott's cod-liver oil emulsion, people would have shortened it, asking for 'Cod Liver Oil Emulsion,' and wily retailers would have providently had it ready for them, labelled to look as much like Scott's as they dared. Businesses have been ruined through this mistake. Some years ago there was some large advertising of Frazer's sulphur tablets, with an offer of free samples. The advertising built up a big business. But it was destroyed by substitution. Chemists, and even confectioners, sold sulphur tablets that were not Frazer's; and Frazer & Co. had no redress. The little liver pills without a name which you will find in almost every chemist's shop, would never have been sold probably, and certainly never have been thus universally called 'little liver pills,' if Carter's Little Liver Pills had not been extensively advertised.

The substitution evil, as it is called—where a customer who comes to a tradesman's counter for an advertised and trade-marked article is induced to buy something else—is the enemy of Advertising. It robs the advertiser of the customer that he has created. But this is of less economic importance than the fact that it simultaneously robs the customer

of the protection which he obtains by buying a known, standardised article, with a name behind it.

One of the most difficult problems which an advertising man in certain lines of business has to face is that of checkmating the substitutor. When he succeeds in doing so, he performs an economic service to the public, and a service of positively vital importance to his firm. Within the limit of legality the retailer who strives to filch the results of advertising for which he has not paid will try to copy the appearance of the goods as packed by the advertiser. A great deal of passive substitution is practised, by having certain goods, imitatively named and imitatively packaged, well in view on the counter and in the window, while the advertised goods are kept out of sight. The incautious purchaser will often buy what he sees, instead of buying what he really wants. This is what I have called passive substitution. The retailer is fully within his rights. He keeps a shop. He may sell whatever he likes. You and I may think it a rather shabby business, but it is not an illegal business. How is the advertising-man to combat it?

I shall try to answer this question as fully as I can because if an advertiser is not protected against substitution he may lose his business altogether. One way to throw difficulties in the way of it is to take great pains that the package is so characteristic, so individual, that it cannot be imitated with any show of innocence. The dishonourable retailer will some day commit himself—sometimes he may be quietly led into a trap so that he does commit himself—and then, when he is brought to court, his hands are not clean. He has implicitly confessed

his dishonest intent by showing that he has copied your distinctive style of package ; and the law is not tender to substitutors who thus commit themselves. He is, anyway, on the horns of a dilemma. If he does not copy your label, he cannot so effectively practise this game of passive substitution. If he does, any one of his assistants is likely to get him into trouble. The purchaser, if he asks for the real article by name, must have that article or be talked out of it. It is settled law, by a case many years ago tried in the Court of Chancery before Mr. Justice Chitty, in which I think I appeared as a witness, that if a customer asks for an advertised article and is given a substitute without being told of it, the shopkeeper can be successfully sued by the advertiser or the customer.

An advertising man, especially if he is selling toilet articles or proprietary goods of any kind retailed through chemists, is liable to have to combat, as well as the first or passive kind of substitution which I have described, the second or active form. Here, the retailer does not stop with having the substitute well displayed and the real goods out of sight. He goes further, and when he is asked for an advertised article, he replies, 'I have something of my own—just as good.' He uses his personal acquaintance and influence with the customer to sell the substitute, or he offers it for less money, or he does both.

The remedy for this, and the remedy for the other kind of substitution too, is to make your advertisements so strong that the customer is determined to have the advertised article, and not to be put off with anything else. If you have efficiently sold your goods in the advertising, the shopkeeper

will not be able to unsell them at the counter. That is the cure for the substitution evil. Good advertising is the best remedy for many other evils, but it is the only remedy for this.

Guard against the belief that when you have put at the end of an announcement 'Avoid imitations' you have done all that is needed to checkmate substitution. Scores of anti-substitution slogans have been invented. Some of them are very good. A warning does something, but it is not a complete, bullet-proof protection. Years ago, a sentence used by the proprietors of Carter's Little Liver Pills did some good work. This article, for a reason which I gave you, suffers greatly from substitution. It is very easy to substitute. I suppose Carter's advertising sells three or four tubes of imitations for every one of the genuine—because the words 'Little Liver Pills' cannot be registered: they are descriptive. It would have been better to advertise simply 'Carter's Pills,' just as it would have been better for Frazer & Co. to advertise 'Frazer's Tablets' instead of 'Frazer's Sulphur Tablets.' The slogan which did something to check the substitution of Carter's little liver pills was, 'But be sure they *are* Carter's.' It caused people upon whom what I called passive substitution was practised to notice the absence of the name, and it made the active kind of substitution more difficult.

But when all is said and done, the only real remedy for substitution is to send your customer to the retailer fully convinced that he wants *your* goods and no one else's. Distinctiveness and facts in your advertising are the only thing that will do this—especially facts. And that is why I again

entreat of any of you who may be exercising, or may intend to exercise, the profession of advertisement-writing, to study the goods—study the goods—study the goods.

Of course, if you have an incontrovertible monopoly, an actual patent covering everything that will do what your advertised product is able to do, substitution will not trouble you. But you must beware of associating a patented article with the name of it in such a way that when the patent expires your trade-mark will be gone too. The essence of a patent is protection for a limited time—about fourteen years—in consideration of your publishing a specification that will enable the public at large to use your method after you have made your profit on the initial monopoly. Now, if you give your invention a new name, so that it cannot be identified by any other name, you may have to give up the name when your patent expires. This is a danger to be guarded against.

There is an advertising device akin to trade-marks which helps to give distinctiveness. This is the use of what is sometimes called a 'mascot.' A mascot is a typical figure, introduced into advertisements for the purpose of being identified at sight. By connecting each advertisement in a series with the rest, it also helps to obtain the cumulative effect inherent in continued advertising, to which I referred last week. The most prominent mascots just now are 'Mr. Dunlop' and 'Johnnie Walker.' The Kodak girl, in her striped frock, and my own Brown & Polson girl in the check-apron are other examples, and you will probably remember 'Sunny Jim,' the mascot used for the breakfast food

called 'Force.' I try to make you remember 'Sunny Jim':

High o'er fence leaps Sunny Jim—
'Force' is the food that raises him,

because he illustrates an important principle. Lord Leverhulme—formerly Sir William Lever, the leading proprietor of Sunlight soap—was the first to remark upon this principle to me. Sunny Jim has not lived. Why did he not live? Because he lacked one important characteristic in a mascot: he didn't carry the name of the goods about with him. 'Johnnie Walker' was the nickname of Walker's whisky before the late Tom Browne first drew his admirable figure for my friend Mr. Paul E. Derrick, the advertising agent who originated this and also the most famous of all mascots—the Quaker of Quaker oats. You can't separate either of these from the goods, and, for a certain reason of policy, the word whisky is never used, never needs to be used, in the Johnnie Walker advertisements. The Kodak girl is Kodak all over, even if she carries no camera. But Sunny Jim was not named after the product which he advertised, and, as Lord Leverhulme justly remarked, that is why he had a short life—though a gay one.

The way to use a mascot efficiently is to show the figure in one posture long enough to make it familiar; after that, get a new effect by showing it in all kinds of attitudes, doing all kinds of things. I have some vanity in revealing this principle, because I think I was the first to use the plan.

Where a package is not in itself distinctive, or is not attractive, a mascot can sometimes be added,

without abandoning the established wrapping. This links up the goods with the advertising. It is often advisable to show the package in advertisements, for the same reason. One rather ingenious device, by which a mascot was added to the goods without disturbing the original label, was used by Messrs. Brown & Polson, for their corn-flour and Paisley flour. They adopted a mascot—the Brown & Polson check-apron girl, of which I was the inventor. They are in the habit of wrapping each package in transparent paper, to keep the carton clean. The paper used to be blank, I think. Anyway it had very little on it. When they adopted the Brown & Polson girl mascot, they printed her on this transparent wrapper and thus unified the advertising and the goods, without altering their old-established yellow carton.

One matter remains to be discussed, as a feature of practical Advertising. It concerns trade-marked goods in particular, and therefore it is in place here. If you presently say that it is not in place at all, because it has to do with merchandising, not with Advertising, you will raise an important point, which I shall hope to develop a little in my sixth Lecture. A modern advertising-man does not concern himself with advertisements alone. He knows, as I said in my second Lecture, that the policy behind any advertising campaign is more important than the advertisements themselves. And this matter that I want to discuss before I finish is a question of policy. It is this question: ought an advertiser to fix, by arrangements which cannot be controverted, the price at which his goods are sold to the public? This problem is generally stated in

other terms, thus : Is it the duty of an advertiser to protect retailers against price-cutting ?

There are two aspects to this question—the ethical and the practical. Ethically, I know that I am on the unpopular side. I disagree with nearly all the best authorities, most of whom are very good friends of mine. Nearly all advertisers have been persuaded that price-protection is right. I think that price-protection is wrong and immoral.

I call their action immoral, because I am always on the side of the consumer. It cannot be to the advantage of the consumer that he should be made to pay a higher price for a standardised commodity than would be charged him if competition took its natural course. The price at which a retailer can afford to sell anything is determined in great measure by what I called in my first Lecture his overhead expenses—the cost, per cent, of turnover, of keeping the shop open. Of course, these overhead expenses—rent, taxes, light, and other fixed annual charges—have to be averaged over the turnover, before the retailer knows what percentage of profit he is making, as I pointed out. An efficient retailer can work at a lower overhead cost than an inefficient one, and can consequently sell cheaper, while still making profits at the same rate.

There is no resisting the protected-price system now. Retailers have been too strong for advertisers and too strong for what I consider the ethical and the economic view. In practice, it pays to fix the retail price and compel all retailers to conform to it. If you do not, their opposition will make the cost of advertising, per cent of sales, too high. They will block the sale, and although you can beat

them, by spending enough money, the more profitable course is the immoral one of allowing shopkeepers to charge more than the natural, competitive price of the goods at retail. The protected price system has been forced upon advertisers by combinations of retailers in various trades. The small retailers combined for self-protection against the big retailers who do business at a low overhead cost and do not need so much profit as the less efficient small shopkeepers. The effect of their combination was to force the price-fixing system on advertisers. As price-fixing compels the public to pay more for advertised commodities than the natural, the competitive retail price, it makes them dearer; and whatever makes a thing dearer diminishes the sale. Now the advertiser does not get any of the plunder when he stops competition. All the extra money goes to the retailers. The efficient retailers who do not need the extra margin are compelled to receive it so that they may not be able to compete against the inefficient retailers who do need it. Price-fixing is, in fact, a scheme to protect the inefficient retailer against the efficient one. But the price-cutter is not always a big man: there were and are plenty of small cut-price shops.

The thing which marks the immorality of price-hoisting *cartels* is that all their pressure is put upon the advertiser—a thing which naturally makes them all the more odious in my eyes. Nothing is ever heard about protecting the profit on bulk goods or unbranded articles of any kind. And yet, it is these that the shopkeeper has to trouble about selling. It is for these that he has to make customers. The advertiser sends him customers ready made.

But the retail mind seems to have an *animus* against all Advertising, except its own. Retailers do themselves a mischief by trying to stand against the current of demand for what is advertised. Advertised articles sell quickest and cost the least to sell; they carry a bigger per annum profit than the other things. A retailer who would specialise in advertised articles—who would show them, push them, and do everything he could to identify himself with them—would, in any trade, grow rich. He would be letting himself float on a stream of business which other people were spending money to keep in motion. And incidentally he would be serving the public well, by selling them standardised goods.

You cannot, at this period of commercial history, resist the price-protecting system. But in your policy, you should make the best of a bad job. You should impress upon retailers, through your trade advertising, that it pays them better to sell your advertised goods, which turn over quickly, than to sell unbranded wares, which stick. You should do your part in trying to bring retailers to a better frame of mind. Teach them to abandon the dishonest pretence that they have some special ‘pull’ in buying unbranded goods that are better than those sold by their neighbours. Teach them that the advertiser is their friend, and the friend of all sound business. In this way you will help the sales-manager, whose business it is to organise distribution through the retailer.

This function of sales-management is generally exercised by a separate person, though Advertising is obviously an element of salesmanship. The purpose of Advertising is to make selling cheaper.

The fact that Advertising does enable manufacturers to sell more goods or sell at less expense than they would find possible without it, requires no demonstration. If Advertising did not enable men to sell more largely and less expensively, men would not advertise. The cost of advertisements is only recovered, as I showed in a previous Lecture, through the economies which advertisements effect in selling. Logically, therefore, the advertising manager should be one of the sales-manager's staff. But, for reasons which will appear in the final Lecture of this series, it is often more convenient to put the advertising-man in charge of selling, and treat sales-management as work performed with the object of making the advertising department as efficient as possible. In America, some work normally performed by the sales department is often done by advertising agents, and the late S. H. Benson introduced a similar plan into his advertising agency. On the whole, however, it is probably more advantageous to have such work as investigating markets, organising trade-distribution, fitting up window-displays, and linking up the work of retailers with the advertising, by a staff directly in the advertiser's employment. One or two special agencies, or departments of general advertising agencies, of which that organised by Messrs. Saward, Baker & Co. before the War is an example, have worked a scheme of house-to-house sampling, with demonstrations. This is a successful way of introducing new household commodities. In America the Knox Gelatine Company send out a staff of young women who call upon housewives, offering to prepare a 'dessert'—American for 'sweet'—for the day's lunch or dinner. They make

from the gelatine and other ingredients carried with them a fruit jelly or other confection and present it to the family, free of charge. This, naturally, leads to orders, which are turned over to the nearest grocer. 'Ivelcon' beef-tea cubes were somewhat similarly introduced in this country by house-to-house sampling. The canvasser asked for hot water and prepared a cup of beef-tea. Samples of Colleen soap were delivered by the Saward-Baker agency when this article was comparatively new.

Such work as this can be conveniently delegated to an agency; but the actual handling of retailers, and commercial travellers' work generally is, in my opinion, best kept under direct control.

I said a few moments ago that the owner of a retail shop had, in it, a kind of trade-mark. Like every other trade-mark in the world, this property of the retailer is valuable in proportion to the advertising which it receives. Although the subject is not really in place in this lecture, perhaps I may make what I have just said an excuse for talking about practical retail advertising now, as there is some time left this evening, and it does not fit into any of the other lectures. Moreover, I have been saying hard things about shopkeepers to-night. Perhaps I can make friends of them again by taking their side now.

You will remember my saying, a few moments ago, that a shopkeeper who would make advertised goods prominent, and avail himself of the impetus put behind them by the manufacturer, would grow rich. And when I was discussing the proportion of selling-expense to turnover, I uttered the obvious truth that the faster anything turns over the less

it costs the retailer, in overhead expense, to sell. Retailers make a mistake by not realising this. They think that because some unbranded goods carry a large profit they can prosper by selling these as often as possible, and the branded articles of the advertiser as seldom as possible.

There is a fundamental error in this. The only unbranded articles which normally carry a high profit are precisely those that sell slowly. Competition is not keen on such goods. The everyday stuff, like pepper and salt, cheese, sugar, matches, reels of cotton, packets of needles, calico, and so forth have to be sold at a small margin, because every shop has them. On the other hand, the *minimum* wholesale discount on silver and plated goods is 50 per cent. A jeweller generally gets more than this on articles of gold and jewellery; china and glass carry a profit said to be arrived at by at least doubling the wholesale price and adding 20 per cent. It is only the goods like these—goods that are comparatively seldom wanted—that carry more profit than advertised specialties. And it is right that they should do so. They cost a great deal in overhead expense. Some advertised articles earn great profits for manufacturers. Toilet preparations and patent medicines are an artificial want, and it is quite true that they carry a big profit. But what is the chemist's profit on a doctor's prescription?

What are the principles of retail advertising? They are in many ways abnormal. They appear to contradict almost every principle of advertisement-writing as it is practised by manufacturers. The manufacturer tries to have his advertising as simple as possible—to talk as much as he can about quality,

and as little as he may about price. He advertises one thing at a time and avoids offering a variety. He uses large type and large illustrations. A retailer must do the very reverse of this. He must, as a general rule, put as many different articles into his announcement as he can. He obtains most attention when he uses masses of small type. It appears to be profitable to use a lot of little illustrations, and there must be prices. Of course, there are exceptions. Sometimes a retailer, oftenest in a special, rather than a mixed trade, only requires to advertise one thing—a piano, a set of furs, a watch, a service of china. He takes one article and advertises it as typical; and this helps to sell the rest of his stock. But most drapers, grocers, and the kind of shops that we have learned to call departmental stores, most commonly put a number of different things, and a number of prices, into each announcement. The more they can crowd in, the happier they feel. Commonly, there is little about the shop, beyond the name, and much about the merchandise. But never forget that the most direct function of retail advertising is not to sell goods. It is to get the people into the shop. If the shop is not utterly without competent management, they will buy when they go there.

If retail advertising is well planned, it takes on something of the character of news. A retailer—I talk, for the moment, of provincial retailers mainly, and especially those in rather small towns—only uses one, two, or at the most three newspapers, and will probably use the evening papers, for a reason which I shall explain next week. If he can afford it, he will do well to have his announcement in the paper

every day. If he can arrange for it to occupy always the same place every day—I mean on the same page and in the same position—he will more readily lead people to look for it. This is what department store Advertising should aim at. By having what the people want, when they want it, the retail advertiser will secure a lot of trade, because he will remind the people of their wants before their wants are realised, before they have had time to go somewhere else. And he will perform a useful function, for which people will show their gratitude. No harm will be done if he can write a good paragraph every day to put at the top, pointing out his own usefulness.

It is real usefulness, which I can prove by something which happened about twenty years ago in Toronto. In that fine city of Eastern Canada, where I have seen shops that would be a credit to Regent Street and a surprise to Tottenham Court Road, the Timothy Eaton department store was once the largest shop in the world. It remained so until about six years ago, when Whiteley's claimed to have beaten even Selfridge's and Selfridge's presently beat Whiteley's again, as I believe. I am not quite certain. I have not measured.

Timothy Eaton & Co.'s advertisement in the *Toronto Globe* was the domestic bible of Toronto housewives. I think the *Globe* and an evening paper had it, and the daily offerings were divided between the two, some in the morning, some at night. Presently a new paper sprang up. I think it was called the *Star*, but all this is rather long ago to remember, and I am speaking from memory. This paper made Mr. Eaton a very special offer. It offered space at a very low price to the Timothy

Eaton store, if the store could publish *all* its offerings in the *Star*. This offer was accepted. The *Star* had been struggling along under difficulties until then. But the Timothy Eaton advertisements were the making of it. The paper was actually bought for this advertisement.

The most difficult problem of a departmental store in a large city like London or Manchester or Glasgow is to obtain full value for its advertising space. Mr. Selfridge cannot get along without using the London dailies. Lewis's in Liverpool; Jenner's, Allan's, and Maule's, or Patrick Thomson's in Edinburgh; Anderson's or Rowan's in Glasgow, have to use the big dailies of those cities—the *Liverpool Courier*, *Liverpool Echo*, *Scotsman*, *Edinburgh Evening News*, *Edinburgh Dispatch*, *Glasgow Herald*, *Citizen*, and *Evening News*. All these papers circulate in a considerably greater area than that occupied by the population which can go to the shops. The outside circulation has to be paid for. The price which a newspaper can get for its space is determined, as we shall see next week, very largely by its circulation. The department stores do not want to pay for waste circulation. The only way to prevent its being wasted is by creating a postal trade, which America has taught us to call mail-order business. They word their advertisements so that it is easy to order goods by letter. They supplement their Press-advertising by posting catalogues and circulars far afield, and they take great pains to give satisfaction to postal customers.

That great Toronto store of which I spoke just now goes even further. It has a mail-order depart-

ment which is not only quite dissevered from the store itself, but regards itself as the natural enemy of the store. Of course the Timothy Eaton advertisements fetch business to the mail-order department. But this department, in its postal trading and correspondence, takes up a quite independent attitude. It cultivates the most personal relations with its customers, so that a woman in British Columbia, Saskatchewan, or Quebec, hundreds of miles away, will write and trust the department to buy her a hat or a dress, a kitchen stove or a carpet, and with confidence expect the department to remember her tastes. What is more, the department does remember them. Everything that she has ever bought is on record, in the minutest detail, and the staff is so clever and so tactful that it earns and deserves this remarkable confidence. The Mail-order department ransacks the store for what its customers want, taking pains to find them good value. It will even hold up for a few days an order for goods that are near the end of their season, waiting for them to go on the bargain counter. The department does not behave like a branch of the Timothy Eaton Company; it behaves like a customer of the Timothy Eaton Company.

I do not know any English department stores that go so far as this; but the best of them do cultivate the good opinion and confidence of distant customers by careful service and integrity, realising that it is both harder and more important to cultivate a distant client than one who meets the staff face to face. It is possible to carry this kind of thing too far. You do not want to make it more desirable to order by post than come to the shop. A postal

customer buys what he remembers that he wants. A customer in the shop may and will see other things and buy them. I repeat—retail advertising must first and foremost bring the people into the shop.

Retailers in special lines of business have a simpler problem than mixed retailers, department stores, drapers, grocers, and so on, if they handle goods where the average purchase represents a considerable sum. Their customers vary instead of coming back day after day for the same things. A furniture dealer, a jeweller, anyone who sells goods that are not consumed, but kept, cannot make his advertisements news, though I remember an ironmonger who managed to do so. They are only news when a person is contemplating purchase. But the fact that these announcements have been in the paper all the year round—not perhaps daily, but pretty often—causes them to be read when they *are* news. And in proportion as they give the prospective purchaser the right impression or not, they will influence his choice. The most important problem for a retailer in this class is to suit his announcements to the taste of his class of customers. Some of the best copy in this kind of advertising is (as usual) copy that tells people facts about the goods. Such advertising indicates special knowledge, and operates to bring business to the special dealer instead of to the department store. The retailer must not expect to be able to write these advertisements by the light of nature. It is no more likely that a furrier or a watchmaker should be able to write advertisements without learning that difficult art, than that an advertisement-writer should make watches or know how to select and make up furs

without serving an apprenticeship to the business. By calling in professional assistance—consulting the consultant—the retail advertiser will save much more than this will cost him.

As I have already indicated, the special retailer should not usually advertise a variety of goods. He should advertise one thing at a time. If he can illustrate novelties—as, for instance, if he specialises in ladies' hats—he can obtain a reputation for being first in the field, by persistently informing the public that it is his habit to be so. There is always some special slant which he can give to his advertising if he goes the right way to work. A very little professional assistance—I mean assistance from a professional advertising man, a consultant—will enable him to do this. I remember a shirt and collar man in a provincial town who, by a rather subtle advertising scheme, became the recognised local authority on men's dress. Men used to go to him to find out how they ought to get themselves up when they were being married or acting as best man, and so forth.

The other side of the question—the retailer's buying side instead of his selling side—involves all the complex problems of merchandising. For an advertiser of goods to the trade—whether he advertises to the public as well or not—has to influence a very sensitive, very irritable public. I would rather face a good many tasks than that of selling goods to shopkeepers without advertising them to the consumer.

The *medium* by which to reach the shopkeeper is, of course, the trade paper—the *Drapers' Record*, greatest of all trade papers, the *Chemist and Druggist*,

the *Ironmonger*, the *Grocer*, *Men's Wear*, the *Oil Trades Journal*, *Shoe and Leather Record*, and what not. Their name is legion, for they be many that are in the land. Most trade-paper advertising is pretty bad. I think the reason for this is chiefly that the advertisers do not really believe in advertising, and they are not, for the most part, advertisers in the ordinary sense. When they are, they sometimes—not always—use the trade press competently. Burroughs Wellcome & Co.'s drug-advertising in the *Chemist and Druggist*, for instance, is excellent. So is Brooke Bond & Co.'s tea advertising in the *Grocer*.

But the commonest defect in trade-paper advertising is not a copy defect: it is a defect of policy. The best way to use trade papers is not to advertise your goods to the retailer, and assuredly not to print in them the same advertisements which you use in the general Press. Perhaps the best way of all is to help him to keep shop—using the sort of advertising which I have elsewhere called 'teaching the grocer to groce.' As I said in my second Lecture, the real way to sell goods to the retailer is to help the retailer in selling them to the public. It is not enough to get your goods upon his shelves. You must move them off his shelves again, and you can do this either by advertising them to the public or by improving the retailer's standard of salesmanship. I remember a very successful series of advertisements in a trade paper by a wholesale dealer in goods not advertised to the public, but sold in shops. These advertisements were entirely devoted to shopkeeping: beyond the firm's signature at the end they said very little about its goods: some of them did not name the

goods at all. They sold the goods, though. But I have led you rather far from the ostensible title of to-night's lecture. I shall next week ask you to consider with me the three principal modes of advertising—newspaper advertising, posters, and the use of commercial printed matter.

LECTURE V

THE THREE MAIN MODES OF ADVERTISEMENT

Advertising not confined to newspapers—The Press, the Poster, and Printed-matter—Their ancillary modes—Difference between Advertising and Publicity—The Press the supreme *medium* for Advertising; the Poster the supreme *medium* of Publicity—Where Press Advertising is the most efficient and economical mode—Selling goods of everyday consumption—Selling technical products—The choice of a medium—Difficulty of selecting individual papers—The Press classified for advertising purposes—The *medium* for products and utilities of constant use—Classified Advertising as a test of circulation—Relative efficiency of morning and evening papers—Where the evening paper is supreme—Advertising for direct replies—Sunday and weekly newspapers—Their special use—Magazine advertisements—Foreign inquiries overvalued—Influence of newspapers on advertisements and of advertisements on newspapers—The evil of undisclosed circulation—Where the poster is the best advertisement—Billposting an economical mode of advertising—Posters as a means of securing retail distribution—Posters free from waste circulation—Circulars and pamphlets—Their advantages and disadvantages for advertising—Circulars by letter-post and book-post—Form-letters—Mechanical devices—The writing of form-letters—The two important parts—The pronoun 'you'—Postscripts—Form-letters in mail-order advertising.

HAVING now considered in turn the Why, the How, and the What of Advertising—why we should advertise, how we should frame our announcements, and what merchandise should be thus announced—we come to the important problem of Where to advertise.

Advertising does not begin and end with newspaper announcements, but comprises every method by which attention can be obtained. Through the great extension of modern salesmanship, the number of devices for attracting public attention is so multiplied that there will only be time to deal with the three main modes. These are, in the order of their importance, the Press, the poster, and printed matter

independently delivered. Ancillary to these principal modes and too varied to be adequately discussed to-night, are such minor devices as sampling schemes ; show-cards and window-dressings ; electric and other permanent outdoor signs ; conveyance-advertising, which includes everything displayed in connection with railways, tram-cars, and omnibuses ; the large class of objects described as 'novelties'—paper-weights, match cases, and a thousand similar objects given away to carry advertisements—and finally the special class of circulars known as form-letters. The last are so greatly a subject of inquiry by students of Advertising that I must, by exception, find time to say something about them before I finish.

What I classify as secondary modes of advertisement are so described because it is hardly possible that any one of them could be made to sustain the sale of an advertised product by itself. They supplement the three main modes and they contribute to what is called cumulative effect in Advertising. When a name turns up in so many places that you cannot help becoming familiar with it, the effect of more reasoned advertisement in newspapers or by circulars is reinforced. Every advertisement, of whatever wares, gains something from the accumulated influence of other advertising that has appeared before. This is a very complicated subject, which could only be discussed in a more advanced course, dealing on a large scale with advertising policy and direction.

Work done for the sake of cumulative effect has the nature of Publicity as distinguished from Advertising proper. 'Advertising,' in the strict and limited sense, means publishing facts for the

purpose of influencing the public mind. 'Publicity,' within the same limitation, means merely announcing something for the purpose of influencing the public memory. If I wrote a newspaper advertisement or a pamphlet describing the distinctive characteristics and merits of a new variety of jam, this would be advertising it. If I designed an announcement merely displaying the name of the new jam that would be only publicity. By the detailed description I should expect to convince householders that my jam was palatable, wholesome, and economical. But as they might not have their minds sufficiently concentrated on the important subject of eating, to ensure their remembering to buy my goods, the effect of my argument could be reinforced by displaying the name by itself, in newspapers or on posters, electric signs, and even almanacs, fans, and perhaps little plates on which jam could be served to the patrons of hotels and tea-shops. The cumulative effect of this constant repetition, recalling to memory the argument of my newspaper advertisements and pamphlets, would make these newspaper advertisements more effective. As I showed in a previous lecture, goods have sometimes been sold by publicity alone. Indeed the example of Pears' soap, which in England has seldom been recommended in any other way, will occur to all of you. But modern conditions tend with increasing force to favour mixed modes of announcement, and I do not think that pure publicity will in the future be often used, except for commodities about which it is difficult to use argumentative advertising at all. There are not many of these. Almost everything has something distinctive about it; and indeed even the most

unpromising subjects can be described in one way or another. For instance, if I patented a newly shaped shirt collar, it would no doubt be very difficult to say anything about it in words that could not be much more efficiently conveyed to the mind by a picture of the collar, with the trade-mark or name. But the picture itself would be a description, and would bring the announcement into the classification of Advertising, not mere publicity.

Thus it is seen that for Advertising, in the strict sense which I have momentarily attached to it, Press advertising and printed matter are the most obvious modes, while for what I have been calling 'publicity' the supreme *medium* is the poster. The line of demarcation is not sharp. There are press advertisements which merely announce and posters that imply some amount of argument: in fact the same copy generally does both of these things, whatever the *medium* used. But for present purposes, the distinction will serve, if we remember that detail is more appropriate in the one place and bold announcement in the other.

The problem which has to be considered in selecting the *medium* for advertisements is a very simple, but very difficult one—simple, because the only question is what *medium* will produce the greatest effect at the least cost; and difficult, because a good deal of experience is required in order to judge of this. The Press, the most important *medium* of all, includes every kind of newspaper, periodical, and magazine, from the *Daily Mail* to the *Quarterly Review*. An advertiser seeking the most efficient and economical *medium* has first to decide whether he will use the Press, and whether

he will use it alone or in combination with other modes of advertisement; and next, what class of publications to use and what individual publications within that class. It is not easy.

I cannot lay down any general rules to guide you in distributing an advertising appropriation; the decision will vary according to the product, the price of the product, the resources of the advertiser, the modes selected, and the individual *media* within the modes.

Let us consider first the Press. Press Advertising is the most efficient and economical mode where you seek to address the whole public or the whole of a definite class of the public. If you want to sell an article of household consumption like tea or bread, consumed by everybody in the kingdom; or if you want to sell steel, consumed by every engineer in the kingdom and by no one else, you will use the Press. It is much cheaper to print your bread or your tea advertisement at a cost of, say, £500 for a page in the *Daily Mail*, than to distribute even a million circulars about tea or bread. The *Daily Mail* has a larger circulation than 1,000,000; and you could not even deliver by hand a circular the size of a page in that paper for much under £500—ten shillings a thousand—let alone print and design it as well. Moreover, as I shall show presently, a message carried by a newspaper or periodical should be much more effective than the same message conveyed in any other way. The only alternative to the Press which is thoroughly efficient, when you want the whole public, is the poster, which is even cheaper.

On the other hand, if you want to sell steel, which I assume for the moment to be consumed

by every engineer and by no one else, you will use such a paper as *Engineering* or the *Engineer*. A pamphlet or circular sufficiently good to obtain the attention of the man with authority to buy such a product as steel would have to cost a great deal more than even a series of advertisements in such a paper; and there is a risk that you might not thus obtain the attention of some of these men at all, from purely accidental reasons. I do not say that the technical Press, for such a product, should be the sole *medium* of advertising; but evidently it ought to be used. I did not say that popular papers must be the sole *medium* for advertising bread or tea.

Even among publications intended to be read by the general public there are, of course, classes sharply distinguished one from another. If you wanted to sell seven-and-sixpenny trousers, you would not advertise them in *The Times*; and if you wanted to sell seven-and-sixpenny cigars, you would not advertise them in *Comic Cuts*. There are papers read entirely by the rich: my friend, the proprietor of *Land and Water*, estimates that the poorest of his subscribers has £1000 a year: on the other hand there are papers which, from the nature of their contents, do not go into educated and refined homes. The choice of individual newspapers can only be successfully exercised through experience. The nature of the reading-matter is a partial guide, but it is no more. To the casual observer, I suppose the *Daily News* would look pretty much like some other daily papers. The *Daily News* gives quite a different sort of results from those given by most dailies of a popular type. It disappoints some advertisers—but that is their own fault. It gives

remarkable value to others, who know how to use it as a *medium* ; for it is a fact that if you advertised anything of a cheap and showy nature in this paper—something which in some other dailies of large, popular circulation would give good results—you would fail to sell the goods. But if you advertised solid, substantial pieces of furniture, costing forty or fifty pounds, you would sell them with ease. It is not enough to know the contents of a paper, or even the number circulated. You must know something about the character of the readers. The *Spectator*, read by people of the upper classes, might seem just the *medium* to sell jewellery ; but in point of fact what it does sell supremely well is books. Why is the *Daily Telegraph* the unequalled *medium* for advertising concerts, sheet-music and pianos ? Not because it has a larger circulation than any other London daily—it has not—but because it is read by musical people. Probably the basic reason is that the *Daily Telegraph*, being owned by Jews, has always had a big Jewish circulation, and everyone knows that Jews are the most musical race in the world. Nearly all the great composers were Jews. Most of the best executants have been Jews. Thus the *Daily Telegraph* was read by Jews, used as a *medium* by Jews in the music business, and became the accepted *medium*. Presently Christians interested in music—what few there are of us—followed ; and when a great part of any kind of advertising settles into one *medium*, the whole of that kind of advertising gravitates towards it.

I mention these instances with the object of illustrating to you the great difficulty of selecting individual papers in which to publish advertisements.

Naturally I could not go through the whole of the 2200 odd newspapers and periodicals of the United Kingdom and tell you their characteristic merits and defects. But I can classify publications for you, pointing out the special uses of each class.

First of all come the real newspapers—papers which are mainly read for information on current events—from political and foreign news to crime and the attractive journalism of the Coroners' and Divorce Courts. These are subdivided into morning, evening, Sunday, and weekly papers. Next there are those weeklies which are not newspapers in the limited sense. This class is divided into a number of sub-classes, such as popular papers like *Tit-Bits*; satirical, as *London Opinion*, and so forth; political and literary, like the *Spectator* and the *Nation*; religious weeklies like the *Church Times* and the *Christian Commonwealth*; class and hobby papers, like the *Amateur Photographer*; illustrated weeklies of which the *Graphic* in one subdivision and the *Sketch* in another are types (and I should really classify *Punch* with these, and not with the cheaper satirical weeklies); ladies' papers, like the *Queen*; a few sporting papers; and of course trade papers, like the *Drapers' Record* or the *Chemist and Druggist*; and technical papers like the *Lancet* or the *Economist*.

Next come magazines—popular monthlies like the *Strand*; and serious monthlies like the *Contemporary Review* and quarterlies like the *Edinburgh Review*.

I will begin operations with newspapers—publications which are bought for actual information on events. Evidently these are the *medium* for advertising products and utilities of constant use. So

completely is the daily paper the established *medium* for some of these announcements, that if they were not inserted by the persons interested, newspapers would ultimately find it necessary to publish them for the convenience of readers. In my first Lecture I tried to show how inconvenient life would be if these advertisements were lacking. Theatrical performances, concerts, exhibitions of pictures, auction and property sales, steamship sailings, the current prices of coal, and many other subjects, in fact, produce advertising which is news in the fullest sense. Daily newspapers would be deprived, in part, of their usefulness, if these announcements did not appear. The same remark applies to situation advertisements and the small classified announcements technically called 'wants.'

The number of these small advertisements carried by a newspaper is often accepted as a test of commercial influence—especially by canvassers representing newspapers which carry a great number of them. But it is not a complete test. A large number of what newspaper men call 'smalls' are not a proof that the paper will sell all advertised goods. Advertisements in particular and restricted classes, when they once get into a paper, tend to grow, as I have already mentioned, with an example. They even tend to appear on particular days. On Tuesdays—and on other days, but especially on Tuesdays—the *Morning Post* carries a great number of advertisements for domestic servants. Many years ago *The Times* was the supreme *medium* for this kind of advertising, which gradually left it for the *Morning Post*. If you accepted the greater popularity of this paper for 'servants-wanted' advertisements as proof

that it was a more influential commercial *medium* than *The Times*, which until lately carried much fewer, and some papers of large circulation which do not carry any at all, you would be going rather far.

This question of whether 'wants' are a test of advertising value is one of many which prove the extreme difficulty of selecting *media*. If I had nothing else to guide me—if I were working, as I have often worked, in a foreign or colonial city—I would much rather select my papers by observing which of them carried my competitors' advertising, than by choosing those with the most 'wants.' And even this is not a complete test. The paper which has the best advertisement-manager often gets more than its share of advertisements. The management of Advertising in newspaper offices is a very complex subject, on which a whole series of lectures might easily be delivered.

As between morning and evening papers, there is one very sharp distinction resulting from the circumstances of their publication. If you want results from the home town, and are not in a position to take advantage of demand created elsewhere, you must use the evening paper. If you are advertising for a provincial retailer, for instance, you must use the evening paper. A morning paper always travels farther afield than an evening paper, because it has a longer time in which to travel. A morning paper is printed somewhere about midnight, to catch the newspaper trains. Many papers run an edition which goes to the machine much later in the night, for local publication. But this does not affect the question, because the advertisements appear in all editions. There is time for a morning paper to be

six hours or more on the rails, and still be early enough for the breakfast-table delivery at a distance of 200 miles or more. An evening paper, however many editions it may print, has to be all finished by about a quarter past five. The chief circulation is all in the last two editions, printed between four o'clock and a very little after five ; and the sale is dead soon after seven. Thus you get a circulation that is concentrated near at hand ; and I need hardly remind you that however little good circulation may be calculated to do you outside your selling area, you will have to pay for it in the rates which the newspaper will charge you for your space.

There are towns where one evening paper covers the whole area from which retail advertisers can get results, hardly a copy going any farther ; for you must remember that where a town is large enough to support a newspaper, it is sure to draw business from the villages and rural district outside. I will give you a practical suggestion on the use of such papers. To some extent it is true of other daily papers too ; but it is something like a miracle of precision in these evening papers. It is this. If you can by any means manage it, go into the paper every day. I have several times, in my consulting practice, used this plan for provincial retailers—sometimes when I suffered considerable anxiety on account of the money I was causing my clients to spend—and I never knew it to fail. One such retailer, I remember, abandoned, by my advice, a considerable expense on various forms of advertising, and concentrated on the one evening paper in his town. His total annual expenditure was reduced by some hundreds of pounds. But his turnover,

by the end of six months, had increased no less than 40 per cent. There was another man, whom I remember very well, because I was very uneasy about him. He had very little money; his business was declining; his health was not very good. He either had to sell his business that year, or shut up shop. He came to me to ask how to sell it. I advised him first to get a business to sell. He was only able to afford a very small advertisement, so, to make it very distinctive, I bought him a small font of type, for the newspaper to use in setting it up; and we had it inserted daily. The results were so good, that although he was not very clever at his business, his turnover increased at a rate which enabled him to get a very good price indeed for the goodwill before the year was up, and he had made a good profit in the meantime through the sales produced by the advertisements. That is what you get by being in the paper every night.

Part of my business to-night, in discussing the appropriation of advertising expenditure, is to protect you against fallacious canvassing. Naturally, the advertisement-manager of a newspaper sends his men out with a good story, based on what he knows—and preferably can prove in some way, or seem to prove—of the results obtained by his best customers. That is his duty. That is what he is paid to do. You must observe carefully, that the *medium* which is right for one advertiser may not be right for another, though the advertisement-manager may quite honestly fail to appreciate this fact. Like everything else in Advertising, newspaper canvassing tends more and more to be honest and straightforward. Advertisement-managers of the best papers

will no longer solicit, and sometimes will not even accept, advertisements which they believe will not pay the advertiser. When I was at *The Times*, I refused quite a quantity of perfectly respectable advertisements for this reason alone. But it is the business of the advertiser to know what kind of paper will pay him. There are arguments which, on the face of them, seem unanswerable, while only actual experience proves them wrong. I introduce this subject here, because an example of it applies to the subject of morning and evening papers which I was discussing. An evening paper ought to be the best possible *medium* for obtaining direct replies—orders and inquiries by post. Everybody knows that advertisements are answered very largely by women and by young people. Elderly people and men are not so easily induced to write a letter, unless persuaded by these others—their juniors—to do so. The morning paper travels away from the home. Father reads it at breakfast, thereby provoking most justly the wrath and indignation of his spouse; then he puts it in his pocket and goes to business. The evening paper travels home. It is bought to read in the train or omnibus, and comes right into the house when everyone is at leisure to read advertisements and write letters. The woman of the house has her opportunity. The sons and daughters are at hand to use their influence. Assuredly the evening paper is the paper that will produce direct replies.

There is not a single flaw in this argument. It seems completely water-tight. There is only one thing the matter with it. That is, that it is not true. It is supported by the fact that evening newspapers

do unquestionably sell goods. But alongside of this is the other fact, that in towns where there is any popular morning paper at all, or where such a paper from outside has a big circulation, the evening paper does not, according to experience, produce anything like the same number of direct replies as the morning paper. All the probabilities are the other way. But all the facts are this way. And I believe I can tell you the reason, and I will tell you now, because what I have to say applies more directly to papers of the news and political class than to others, though it does apply to all papers more or less. It is this. About the last thing that a newspaper or periodical is able to do, is to make its readers write letters and send orders by post. It takes a very influential paper to do that. Now, the influence of a newspaper, as an advertising *medium*, is very greatly affected by the degree of respect in which the paper is held by its readers. I believe it to be more affected by this, in proportion of course to its sale, than by any other thing whatever. Evening papers, as a class, have many merits. But I do not think any of you will contend that evening papers in general—there are noticeable exceptions; the *Westminster Gazette* is one—are edited with the same earnestness, or read with the same esteem, as the majority of morning papers. Anything which discredits a paper, and damages its reputation, injures its advertisers. Mail-order advertisers, who can and must trace results with great accuracy, immediately notice the falling off in replies—a much greater falling off than can generally be accounted for by any known loss of circulation. Up to the time of the Parnell Commission—up to the time

when the Pigott forgeries in *The Times* were exposed, *The Times* was a most powerful *medium* for Advertising. Its influence after this exposure declined far more than its circulation, and even when I became advertisement-manager of *The Times* in 1905, fourteen years later, had not been fully recovered. I think that to-day *The Times* is probably as good a *medium* as before its historic blunder. It can never be the supreme *medium* that it was in, for instance, Macaulay's time, because of course it has enormously more competition. But it has recovered from the Pigott scandal, though with difficulty.

Some Sunday papers have the same kind of value for advertising every-day things as dailies, and their circulation is equally ephemeral. Provincial weeklies, once very important, have suffered by the extended sale of popular dailies. Thirty years ago, millions of people obtained their news from no other source. To-day practically every family in Great Britain, and nearly every family in Ireland, buys a daily paper. The circulation of provincial weeklies, rarely revealed, is generally small; but in rural districts particularly they are read for local news which is not published anywhere else, and if not allowed to charge too much for the space, are quite worth using.

A weekly paper of any kind—I am including the London weeklies which have national circulation—has seven days' life, where a morning paper has only one day, and an evening paper only a few hours, to live. The more expensive weeklies—such as *Land and Water*, *Punch*, *Country Life*, the *Graphic*, are kept much longer; indeed, I doubt whether a copy of any of them is ever wilfully destroyed.

The advertisements in them have a longer chance to be read, you may say. Perhaps they have; but I have seen replies to a daily-paper advertisement dribble in, on one occasion ten months and on another fourteen months after date, and I do not remember to have seen replies from weeklies any later. But of course these delayed replies are very few. Replies from a daily paper come in fastest during the first forty-eight hours—not many after the end of the first week: very few after the second week. Replies from weeklies—those of them which fetch replies at all in large numbers—only come in very slowly after a week: there is not much difference. The higher the price of publication, the longer a paper is kept; but then the higher the price, the fewer replies you get. I only mention the reply-test because it is easy to measure, and because it is definite. A paper can be a very good *medium* for selling goods through tradesmen, though a very poor one for mail-order replies. I believe the reason of this is that a person's mood is affected by the paper that he is reading. Just as readers' respect for the editorial conduct of a paper makes it a better advertising *medium*, so its character affects his action. The same man who will answer an advertisement in the *Daily Mail* will not answer the same advertisement in *The Times*. Why? Because when he is reading *The Times* he is in a 'Times' frame of mind. If he wants something that is advertised he will order it from his tradesmen. But when he reads the *Daily Mail* he is in a 'Daily Mail' frame of mind—rather eager, rather excitable, rather energetic, not so dignified and reserved. The *Daily Mail* is a very fine advertising *medium*—

perhaps the best all-round *medium* in the kingdom ; but no one would call it reserved.

A thing which would puzzle you is the excellence of popular monthly magazines in respect of obtaining direct replies and orders by post. The advertisements are all lumped together. They are not next to reading matter. No one sees them unless he deliberately looks for them. Yet popular monthlies give fine results in mail-order advertising. There seem to be two reasons for this. First there are a great many pages of advertising, and this appears to have some psychological effect in making people go through them. So far from competition being bad for the advertisers, it seems to be good for them, and this is a pretty general rule. When *Punch* carried practically no advertising except on the back page, it was not nearly so good an advertising *medium* as it is now, with 20 or more pages of advertisements. A magazine with few advertisements does not fetch so many replies as one with many, nor does it sell so much merchandise. This is no doubt partly because the big circulations obtain the most patronage ; but it works the other way, too. The *Morning Post* is a somewhat better commercial *medium* to-day, when it carries a fair amount of advertising, than it was a few years ago when it carried hardly anything but 'wants.'

The other reason why magazine advertisements are effective is because the average merit of the copy is high—much higher than in dailies. Readers find a number of interesting advertisements in every issue, and learn to look at all the advertisements. I have no doubt that the care with which my old friend Mr. Roy Somerville attends to the printing and

arrangement of advertisements in *Punch* contributes to the extraordinary merit of *Punch* as an advertising medium. Its circulation has increased since the number of advertisement pages was enlarged, and if still more pages were used results from advertising would still further improve. It has been said that an empty shop next door is worse for a retailer than an active competitor, and I know this to be true. Similarly, the worst neighbour that a good advertisement can have is a poor advertisement, or no advertisement at all, and the worst neighbour an honest advertisement can have is a dishonest advertisement.

One fact often mentioned as an argument in favour of magazine advertising, is that replies are received, months after publication, from remote places abroad. What a tremendous power the magazine must wield if it reaches so far! But I think this argument is rather overdone. Very few advertisers have a market in Kamschatka or Woollomoolloo! However efficiently they may advertise there, the order book will not feel it. And these foreign inquiries are not very numerous, anyway; but they seem so to the delighted advertiser—even if (as is often the case) they come from a nigger whose real object is to obtain some free samples.

Newspapers influence the efficiency of the advertisements which they publish; and advertisements influence the newspapers which publish them. It would be futile to deny that Advertising is sometimes abused. There are announcements, not yet entirely suppressed, which defile any paper. There are others which overstep the line of strict honesty; any publication which excludes them does good service to itself and to the public. I think my friend Mr. John

Hart, advertisement manager of *London Opinion*, an untiring and enthusiastic worker for the good of Advertising in general, was the first to make a paper responsible for its advertisements. He prints every week this guarantee, and interprets it in practice with great strictness, that if goods advertised in *London Opinion* are misrepresented, either the advertiser will return the money or *London Opinion* will do so. I think Mr. Hart was also the first to make public the circulation of a paper in the only really satisfactory way—namely, by revealing, not merely the number of copies printed or the number issued to newsagents, but the number of copies actually bought by the public. Less than five per cent of the papers and periodicals in this country publish any statement at all of their circulation; much less than 1 per cent publish the actual sales, and over 95 per cent refuse to tell the advertiser anything at all about the circulation that he gets for his money. This is an abuse which must ultimately be corrected. The Advertisers' Protection Society has for years been trying to cure it, and I think a large measure of success cannot be delayed for many years longer.

2 Second in importance to the Press—but only a little way behind as an advertising *medium*—is the Poster. Posters are feared by many advertisers on the ground of expense. A poster is such a big affair, and looks so important, that one is apt to think it must cost a great deal. Of course it is true that a 16-sheet poster—80 in. by 120 in.—consumes a great deal of paper, and costs a lot to print—especially now. And billposters charge a great deal. Nevertheless all this is a matter for comparison. The same

advertiser who would order a three-inch advertisement in only one or two papers would not order a poster, though quite a small man can use posters without running into more expense than would be involved in newspaper-advertising of equal relative prominence.

A year's display, all over the kingdom, making the advertiser the most prominent man on the hoardings, would have cost, before the War, including the posters themselves, about £38,000. To be equally the most prominent advertiser in the Press would have cost about £200,000. The mistake often made is that of comparing the cost of one poster with one Press advertisement. Such an advertisement, in a daily or weekly, has an effective run of about a week, as I have shown. To do a month's advertising requires not less than four insertions. But the unit of charge for billposting is a month, and most contracts are for three months, at a reduced rate. It is not very useful to talk about printing-costs in the present state of the paper market; but some years ago I prepared some figures for my friend Mr. Cyril Sheldon to use in his well-known manual of Billposting,¹ which prove the cheapness of poster advertising. Even the considerable increase in costs since Mr. Sheldon's estimate was published still leaves the poster far ahead in economy. The price in 1913 of a full front page in the *Daily Mail* was £350 for a circulation of about a million and a quarter, in one day. The same money would have paid for exhibiting a 16-sheet poster, which is the size generally in use, to a population of four times a million and

¹ *Billposting: a Practical Handbook for the Use of Advertisers.*
1916: Sheldons Ltd., Leeds. 10s. 6d. net.

a quarter—that is, of 5,000,000—in London for sixty days. And it would have paid for exhibiting a poster to 5,000,000 people for 106 days in provincial towns! Making every allowance for the closer view obtained from readers of a newspaper, and every other advantage, it is still impossible to deny the relative economy of poster advertising. Its relative efficiency is another question, and depends upon what kind of efficiency you want.

Two great advantages of the poster are the rapidity with which it obtains its results, and their strictly localised character. Posters obtain retail representation much sooner than newspaper advertising. A shopkeeper who sees a new article advertised in the local paper will wait a long time before putting it into stock—will wait, in fact, until he begins to be afraid lest customers go to his competitor for the goods. But when he sees a big poster on the hoarding across the street, he will telegraph for supplies. To obtain the same relative prominence in local newspapers which you can obtain by a good poster, you would require very large space, frequently repeated. Taking such space all over the country, town by town, is much more expensive than using posters. A poster has not all the advantages of Press advertising. It does not fetch many orders by post. You cannot expound so many selling points, nor develop your arguments so fully. The ideal plan is to use posters and newspapers simultaneously. Each will be more efficient than if used alone. And some goods are advertised more efficiently on the hoardings than others. Everyday commodities—foods, soaps, beef extracts, beer, cocoa—are better subjects for billposting than things

bought by a restricted class—motor-cars, furniture, grand pianos, jewellery. And some articles are of a personal and intimate nature that does not lend itself to billposting—as medicines, cosmetics, hosiery, underlinen, corsets, pyjamas, books—though all these things have been thus advertised with some success.

No form of Advertising has been the subject of so much general reprehension as the poster. Complaints of ugliness and vulgarity have not always been unfounded. But of late years, the best poster advertising has produced some really beautiful designs, and the humorous posters of my friend Mr. John Hassall, R.I., have added to public gaiety, while doing good service to advertisers. The poster is, in fact, almost the only mode of advertising in which humour does anything but mischief to the advertiser.

The strictly local character of billposting is an economy, where retail distribution is not nation-wide. Whatever newspaper you may use—even the evening paper—it is bound to circulate in some place where you do not want it. But the poster need not cost you a penny anywhere beyond the limits of your distribution. It carries your message where you want it, when you want it, and as you want it—to no other place, at no other time, and in no other way. You do not pay for any waste circulation where you use a poster. Within its limitations, it is perfect.

3, Somewhat the same may be said of printed matter distributed by hand or sent through the post. When you are delivering a circular or pamphlet from house to house, or addressing it from directories or lists, there is no excuse for wasting a single copy

on the wrong person. The advantages and disadvantages of this mode of advertising can be easily balanced. The advantages are that the expenditure is strictly localised, and that you can print and illustrate your story with great fulness and in any style you choose. The disadvantages are that you are not certain of reaching your man, and that you lack the *prestige* borrowed from the newspaper. If he is wealthy, or busy, his letters may be opened by a secretary, and a circular thrown away; and he may even throw it away himself because it does not interest him. People often ask me what they must do to ensure a form-letter, circular, or pamphlet being read—what kind of envelope to use, what stationery, whether to send by letter-post in a plain or in a printed envelope, or by book-post in a wrapper. There is but one way to get your matter read, and that is, to make it worth reading. What is inside the envelope has much more importance than what is outside. Of course you must suit your style of printing, your decorative treatment, your envelope, and the rest, to your public, and then, further, to your subject; but nothing will make your message do its job if it is not itself efficient. When it is efficient in itself you need an almost perverted ingenuity to make it fail. And if the message is rightly presented, there is no other way in which you can tell your story with the same completeness, as by speaking thus with the voice of the printed word.

Although this way of advertising is expensive when compared with Press advertising, because you have to pay for all the printing and deliver the message at your own charges, you can, of course, go into much more detail. You can use any process

of illustration that you choose. You can use colour—a very potent implement. During the late War, a manufacturer of stoves and other hardware wished to sell fewer different patterns of stoves, on account of labour-shortage. He concentrated the demand on a few models, by the simple device of using coloured pictures in his catalogue for those that he wanted to sell, and illustrated the rest in black and white. All the demand created, practically, was for the models shown in colour. The stock in hand sufficed for the few orders which he had for the others. He was saved all the trouble of explaining that these could not be supplied, and he avoided the disadvantage of cutting them out, which would very likely have made them unsaleable after the War.

One practical question on which you may like me to touch is the relative efficiency of letter rate and book-post rate. Experience shows that there is not so much difference as is generally believed. A large advertiser, doing a popular trade, had been posting about a quarter of a million almanacs every year, in closed envelopes, when the postage was a penny. As an experiment, he sent them, one year, in halfpenny wrappers, and to his great surprise found that it did not make the slightest difference to the result, though it saved him about £500 for postage. I have seen some detailed figures of a similar experiment during the late War. This was tried on a small scale, before despatching a large number of booklets. Five hundred names were addressed at random from the same list; half the books were sent by letter-post and half the other way. The results were twenty-five orders from the letter-post and twenty-two from book-post. The

value of the orders received was practically the same either way—only 7*d.* difference—and the average value per order 10*d.* in favour of book-post. Practically there was no difference, you see.

In sending out a pamphlet or catalogue, particularly if you send it unprovoked, without obtaining an application for it through newspaper advertising, it is always advisable to send a covering letter very carefully prepared. It would be quite impossible, even if one devoted an entire lecture to the subject, to teach by mere precept the laws of the successful form-letter. I can only mention leading principles. According to my experience, it is not efficient to send a form-letter without an enclosure, nor a circular or pamphlet without a form-letter. Machines like the Gammeter Multi-graph and the Roneotype produce a very creditable imitation of ordinary typewriting, and although it is not very easy to fill in names and addresses so that they actually match, I have never been able to find that, for ordinary purposes, a reasonably close match does not suffice. You get better results by filling in, even poorly, than by not putting the name and address of the inquirer at the top, if you are answering inquiries; or, especially, those of the 'prospect,' if you are addressing a list. The latter case is much the more important. A facsimile signature in writing-ink colour does not make much difference to the cost, nor yet to the results. Such devices as mistakes, corrected in the same way, blots, and letters apparently knocked out with dashes, as if the typist had made a mistake, may amuse the advertiser, but they do not make any measurable difference to the result. Letters lithographed to

imitate handwriting—and these can be printed with sufficient exactness to deceive almost anyone—have never given me such good results as facsimile type-writing.

In fact, nothing that you can do to vary the methods of production is nearly so important as what you can do to improve the wording and construction of a letter; and to this I shall devote what little time remains.

There are manuals of letter-making, chiefly of American origin, in which rules are laid down to govern the entire architecture of the job. I have no objection to your studying these books, provided you pay no attention to what they say. In some respects, it may be true that letters will produce results in the United States which would most certainly do nothing but mischief here. But it is a fact that I sometimes receive from American firms requests to draft form-letters for them. Only last month I wrote a series of eighteen letters for a very important manufacturer in Boston, Massachusetts, whose own letters, which he sent me, were very good indeed, and would have done good work here. I am inclined to believe—in spite of really awful examples in the text-books—that an American concern, addressing a good class of people, would find it advisable to use almost exactly the same kind of letter that would suit this country.

Two points of a form-letter are especially important—the beginning and the end; but the spirit of the whole is more important than either. When you draft a form-letter, try to think of some individual correspondent. Forget that you are writing in the same terms to a thousand or a hundred

thousand people. Write to one person. That will give you the right spirit—the personal tone. Afterwards you may think about construction—the opening which interests, the continuation which draws the reader on, the middle portion which puts the case before him, the wind-up which obtains action. But get the tone right first.

It is usual to say that a form-letter should begin with ‘You’—not with ‘I’ or ‘We’: as Colonel John Hay, the author of the ‘Pike County Ballads,’ said, in hexameters :

‘Who would succeed in this life, must take care
in the use of his pronouns.’

‘Utter the “you” three times for once that
you utter the “I.”’

(I think that is correctly quoted.) I do not attach any pragmatic importance to the ‘You’ opening; but naturally the letter must dwell more upon the advantage to the reader of adopting your proposal than upon your own anxiety to sell him the goods.

When you are enclosing a circular or pamphlet, do not try to epitomise the whole of it in the letter. The objects of your letter are only two—to get the enclosure read, and to make the reader act upon it. One way to make him read the enclosure is to refer to specific parts of it: ‘You will see by the illustration on page 7 that . . .,’ and so on. ‘The statistics quoted on page 11 will convince you that . . .,’ &c. This plan, used with discretion, does excellent work. The references to the enclosure should not be all bunched together, nor yet dragged in by the heels: they must come in naturally and with an air of being inevitable.

The other function of the form-letter—to obtain

action—is achieved by giving the reader something to do. Let this be your last word to him—that he must do some one thing, whether it is to send you an order, or go to a retailer for your goods, or something else: but something. In a follow-up, it is sometimes very effective not to ask for an order at all, but to ask some question. I wrote a follow-up the other day for the manufacturer of a technical appliance, saying nothing at all about orders, but asking the reader, ‘What do you do in such-and-such a contingency?’ The answer ought to be ‘I should use . . .,’ the thing I was trying to sell him. You can see how much more efficient this can be than merely clamouring for business: you drive a reader to the very answer that you want. If the goods are right, this is almost bound to sell them.

Most particularly, do not begin a follow-up by scolding the reader for not having sent you an order: ‘We sent you an illustrated pamphlet on our cure for baldness last week and are surprised that we have not heard from you. Do you wish to lose your hair beyond hope of recovery?’ You can think of half a hundred ways of starting a letter, each more likely to fetch the order than this.

I said that you should stop when you have given your prospective customers something to do. The end of the letter is the place for this: and I let you into a little secret of my own when I tell you that a better place still is *after* the end—in a postscript. A person who will not read any other part of a letter at first will very often read the P.S. If you make this interesting, and give him something to do, he will read the rest, to see whether he ought to do it. It is your fault then if he does not do it.

People are very apt to believe that the worst fault in a form-letter is that there should be too much of it. The Newdigate Prize Poem is limited to fifty lines. But even a poem can be too short. For a letter to be too long is not the worst of faults. It is really only the worst fault but one. The very worst is not being long enough. You remember the story of the dachshund whose affectionate owner defended it against the charge that its legs were too short. 'They are long enough to reach down to the ground,' she said. Just so; a letter should be long enough to say what needs to be said—no longer, no shorter. Try to need as few words as you can, but use all that you do need.

Finally, a very important point: if you have occasion to get a form-letter written for you by someone with more experience than yourself, don't employ for this important task a printer who will write the letter for nothing if only you will give him the job of printing it. Any kind of advertising effort should be treated with a little more respect than that.

In my concluding Lecture next week I shall have something to say about a species of Advertising into which form-letters enter very largely. This is the kind of advertising which sells goods by post. American example has led us to call this Mail-Order Advertising: and after that, in concluding these addresses to which you have so patiently listened, it will be my privilege to talk to you about Advertising as a Career—how to enter the business, what qualifications are needed, what prospects are offered, and how one may expect to rise fastest. In this I hope to be able to offer some practical

suggestions and warnings, not unmingled with words of hope and encouragement. For I can strongly recommend Advertising as a pursuit. There are great rewards in it, and when you win them, you have the satisfaction of knowing that you only won them by having deserved to win.

LECTURE VI

PART I.—MAIL-ORDER ADVERTISING

The term 'Mail-Order'—American Mail-order Advertising—Importance of veracity—The worst obstacle to honest mail-order Advertising—Selling technical goods by mail-order methods—Selling service by mail-order methods—Guaranteed advertising—The *Encyclopædia Britannica* a mail-order proposition—The *Encyclopædia Britannica* campaign described—Circularising for mail-order purposes—How to obtain names—How a mail-order advertisement should be framed—Statistical work in Mail Order—Follow-up systems—A fallacious follow-up—Making the follow-up automatic.

PART II.—ADVERTISING AS A CAREER

Honest Advertising a modern invention—Growth of scientific methods—Opportunities for intelligent workers—Advertising not an art—Advertising a business easily entered—Advertising lavish in reward, but merciless in criticism—Qualifications of an advertising man—Training required—How to obtain training—Where varied businesses can be studied—Amateur work not wanted—Research work and advertising policy: Examples—Research work on business records—Influence of Advertising upon salesmanship and upon production—Openings for the copywriter—How a copywriter is trained—How advertising men advance—Administrative work in Advertising; the Contract Department—How to study Advertising—Conclusion.

NO branch of Advertising arouses more widespread attention or awakens the ambition of more numerous people than mail-order work, which means selling through the post. The goods do not necessarily travel by post, but the order comes by post. The term mail-order has been borrowed from the language spoken in the United States; but the business was not originally American. It was invented in this country, but developed to a higher general average of efficiency in the United States. But we have at all events one mail-order advertiser, my friend Mr. Walter Martin, who has carried this kind of Advertising to a higher degree

of perfection than any American practitioner. He has somewhere about a quarter of a million satisfied customers, I think; for with him a mail-order customer is not a one-timer but a steady buyer. The organisation of Martins Limited is a model of efficiency, integrity, and liberality, and I shall presently tell you something about its working—I was about to say by Mr. Martin's permission: but there has been no need, really, for me to ask his permission, for he is the most candid of advertisers. He has nothing to conceal and conceals nothing.

In mail-order work, even more than in other branches of Advertising, the most rigid veracity and straightforwardness are essential to any success worth having. You are dealing with persons whom you will never see. The slightest appearance of insincerity, the least sign of exaggeration, would be fatal to the confidence by which alone you can live. Everything you say is on record. Your advertising must look transparently sincere. The only way known to me of looking sincere is to be sincere. The goods sold by mail-order must not only be as good as the advertising; they should be better than the advertising. The very first thing that has to be overcome is suspicion. There are people who think that you can insert an advertisement in the papers, asking people to send money for goods, and then keep the money, sending nothing at all in return. It sounds incredible that anyone should think this—that anyone should be so ignorant of what a police force is for, as to think that such a fraud could be practised. But I have evidence that there are people who think this—or imagine themselves to think it. Many thousands can hardly be

got to believe that an article offered by post will be as good as the description of it, until, expecting to be robbed, they timidly make trial of the goods.

No doubt there are small traders who do exaggerate in mail-order offers. But they are the little fellows. There is no permanent profit in that kind of work, and no large profit. Understatement, for the sake of complete credibility, pays a thousand times better. From what I said just now you can easily deduce the injury done to honest mail-order business by the semi-fraudulent minority, and you will not be surprised to learn that the serious mail-order concerns—the honest ones—would be prepared to take almost any amount of trouble to stamp out the dishonesty, which is a worse pest to them than to the deceived customer. The worst obstacle over which the honest mail-order man has to climb to success is the fraudulent mail-order man. It would be false to pretend that the latter does not exist. We had far better acknowledge him, and try to stamp him out.

It is generally imagined by the unobservant that mail-order sales are mostly of small units, and that the business is entirely retail. Both these ideas are mistaken. The 'Encyclopædia Britannica,' in its last two editions, was sold entirely by mail-order methods. The smallest unit offered cost £25; the largest between £60 and £70, I think. A considerable amount of wholesale business, and of business in materials and tools used for purposes of manufacture, is done by mail-order. About the most important, and certainly I think the best protective for saving iron and steel structures from rust—'Bowranite'—is sold by mail-order to

engineers, shipbuilders, steamship lines, dock companies, and other large concerns. I can assure you from my personal knowledge that the inventor spares no pains to ensure the minute exactness of every word that is printed about 'Bowranite.' If it is important to be honest where you are dealing with retail customers, it is obviously indispensable to be honest when you are dealing with technical users of your product.

On the face of it, it would seem obvious that merchandise sold through the post must either be something patented, or a monopoly of some sort, which a man cannot walk across the street and buy in a shop. This is not the fact. Many little inventions, small instruments, toys, conjuring tricks and so forth that cannot be thus bought, are advertised by small mail-order advertisers; but even mail-order goods like these are sometimes articles of general trade. Sometimes they are not goods at all but services. There is a man at Chester—of all places—who does a very large business in developing roll-films and making prints of them for amateur photographers. His business is nationwide: everyone who uses a hand-camera knows the name of Will R. Rose. Now the thousands of people who every week send their films to Chester could with much less trouble take them to a photographic dealer; even many chemists do the work, after a fashion. Why are films sent to Mr. Rose?

Well, partly because he does not do the work 'after a fashion.' Having a good deal of it to do, he can afford perfected appliances, and can employ automatic devices which dispense with a certain proportion of skilled labour. And, as he has spent

money to gain a name—by advertising—it is obviously worth his while to do the work as well as the competitive price will permit : for the price *is* competitive. The same things, no doubt, are true of others offering this service whose names you see often in the papers—Martin, the Southampton chemist, and a few others : I do not know directly. Another thing which certainly conserves business for Mr. Rose is the neat little folder in which he returns films and prints, and the skilful device by which he notifies to his customers the faults which they have committed in exposing their films. This is a very clever piece of policy. No small proportion of exposures are sure to be faulty : if the amateur photographer were not apprised of his mistake, he would blame the developer. As it is, he blames himself.

Another service has lately been advertised by mail-order, which could just as easily, or more easily, be obtained from shopkeepers. That is the re-sharpening of blades for safety-razors. If you look at a new Gillette blade, you will see that this business of re-sharpening is making an impression upon the razor people : it bears the words ‘Licensed for original use only : not to be re-sharpened.’ I do not know what the legal position about this may be. The patent is in the holder—the curve which bends the blade—not, I think, in the blade, as there are other three-holed blades. But personally, it seems to me that if the Gillette people saw fit to say, on the blade or package, that they sold the blades on condition that these should not be re-ground or re-sharpened, it would be a point of honour with purchasers to carry out the obligation. Words implying this condition could be printed

on the outer wrapper: no one need buy them if he did not want to fulfil the condition, whether it could be legally enforced or not. No doubt there would be purchasers who would ignore the obligation; but I believe and hope that there would be many others who would respect it. Let us think as well as we can of our kind.

However, that is another story. The fact is that, a few years ago, someone invented a machine for sharpening old blades, and evidently the machine does not cost very much, for quite a number of persons are advertising, in mail-order fashion, their willingness to do the work for a penny a blade. And apparently they make it pay. The advertisements are small—an inch or less. But observe—people will send their blades by post, and pay, now, threehalfpence for postage to have this done by the advertiser; yet any number of cutlers and ironmongers undertake the work at the same price, and have a card in the window to say so. Thus it is evidently not the fact that people will only send by post for something which cannot be obtained across a shop counter.

I shall presently mention some much more impressive evidence of this. But before doing so, I will digress for a moment to tell you an amusing incident of this razor-sharpening industry, because it illustrates the modern attitude of part of the Press to Advertising. I told you last week that Mr. John Hart, the advertisement manager of *London Opinion*, publishes every week in *London Opinion* a certain guarantee. He undertakes that if anything advertised in the paper is misrepresented, either the advertiser will send the money back, or *London*

Opinion will do so. Of course, this applies to all the advertisements, not to mail-order announcements only.

Well, *London Opinion* carried a razor-sharpening advertisement of a man in Sheffield—a good town in which to have an address for this particular business of sharpening razors. Presently someone wrote to Mr. Hart, stating, first that he had sent blades to this man, and the money, and had received neither acknowledgment nor blades; and secondly, that he had reported this to the police. The police had replied that the man was not known to them; but that as the address was that of a butcher's shop, there might perhaps have been some mistake. Apparently the police went no further; or perhaps their investigations were still incomplete.

However this may be, Mr. Hart, like the fair and liberal-minded gentleman that he is, promptly sent his correspondent a dozen new Gillette blades, thus completely vindicating *London Opinion*. And then he wrote to the advertiser, and wrote—I make no doubt, for I know him—in good set terms! The advertiser replied, that if the policeman had taken the trouble to walk upstairs, he would have found him, the advertiser, on the job. It was quite true that his landlord was a butcher, but he did not butch except on the ground floor. And for the rest, he would be very glad to see the letter of complaint, as he had several grosses of blades in his possession, with corresponding remittances, which people, to an equal number of dozens, had sent him, without enclosing any name or address. He said that he would be very glad if Mr. Hart could introduce him to a way of teaching people to be a little more careful

with their money and their blades, for this kind of mistake gave him a lot of trouble.

The greatest single mail-order transaction ever carried out in this country was, indeed, in something which could not be bought in shops. It is an example which proves the economy of Advertising. The 'Encyclopædia Britannica' had been published eight times, in eight several and successive editions, during a little over a century. The price, at all events of the ninth edition, was somewhere in the neighbourhood of fifty guineas. An American, my friend, Mr. H. E. Hooper, bought the copyright from the owners, the very old-established and eminent firm of Adam & Charles Black—the friends of Macaulay: Adam Black was instrumental in his re-election for Edinburgh, the last time that he entered Parliament. Mr. Hooper acquired the stereotyped plates, and reprinted the ninth edition, about two years after its first completion, making twenty-five volumes. He also made an arrangement by which *The Times* became the publisher. These twenty-five volumes had had a very limited sale for about fifty guineas cash. Evidently the publishers—Messrs. Black—had not had a very great encouragement with them, as sold through booksellers, or they would not have parted with a property so stately and so celebrated.

Mr. Hooper believed that the demand was not, even yet, exhausted. He believed that advertising, and exceptional facilities for buying this great work, could sell more. He also believed, as no full-scale encyclopædia had appeared since this edition, that it was worth buying; but he realised that it would require a strong selling effort. So what did he do? He cut the price in half—to about £25 for

the cloth-bound edition ; more for richer bindings. And he did more. He may be called the pioneer, or almost the discoverer of a principle that has since greatly extended the business of Advertising. He believed, and by this experiment proved, that nearly all people are honest. He believed that he could trust the public with this set of books, worth from £25 to £60 according to binding, without sureties, without any guarantee, and let them pay for it by monthly instalments. He was right. No one else believed him to be right. The late A. F. Walter, of *The Times*, and the late Moberly Bell, Mr. Walter's wonderful right-hand man, and Mr. Buckle, then editor of *The Times*, thought he was wrong. They begged him not to take this risk. They thought that readers of *The Times* would pay the instalments, because readers of *The Times* were then a special and restricted class. But Mr. Hooper was going to advertise in the general press, and they did not believe that it was safe to trust the public at large in the general and haphazard manner proposed and adopted. Also, they did not believe that the Encyclopædia would sell in large numbers. They thought he might, with a great deal of advertising, sell 5000 sets in this way ; though he would make many bad debts. Mr. Hooper thought otherwise. He thought he could sell 20,000 or 30,000 sets, and get the money.

He was right—more than right. He sold 70,000 sets ; and he got the money. And, while this was going on, he had ten additional volumes prepared by a superb staff of editors, scholars and experts, to bring this Encyclopædia up to date, and with the twenty-five old volumes turn the ninth edition

into the tenth; and he had no more difficulty in selling the ten additional volumes to the purchasers of the other twenty-five than he had in selling the latter.

It was all done by mail-order work. And I have dwelt thus long upon it, partly because I happen to know this selling campaign rather more intimately than I know any other very large mail-order transaction, and partly because, through the completeness of its ramifications, it constitutes a typical example of mail-order work. I wanted you to know the origin of the business, and the personality—the great personality—behind it, because I am going to use it for a type of mail-order work.

Much later—years after the last set of the thirty-five volumes forming the complete tenth edition of the ‘Encyclopædia Britannica’ had been sold and paid for, and when the eleventh edition was nearly ready for the press—circumstances arose which caused certain persons to organise an attack on the Encyclopædia, which undoubtedly did much harm to its future. I am not going into these circumstances to-night. There is not time. But as I saw some of you smile when I mentioned the Encyclopædia, and as I know the attacks which I have mentioned have left a bad impression upon many people’s minds, it would not only be cowardly in me not to tell you what I think on the matter, but would also detract from the value of the illustration which I am going to found upon it. The substance of the attack was mainly this—that the ‘Encyclopædia Britannica,’ as published in *The Times* Office, was obsolete (as one of the numerous assailants organised against *The Times* remarked, Stanley was still in the wilds of Africa looking for Livingstone); and, alternatively,

that the book had been misrepresented by the advertisements. I only detain you to say, first, that those who attacked the Encyclopædia in order to attack *The Times* knew perfectly well that a big work of reference like this necessarily begins to become obsolete from the moment of publication—nay, while it is still in the press—and second, that when I bought the eleventh edition, which I certainly use once or more on the average every day, I could have obtained an allowance of about £5 (I think it was) by returning the old volumes. I preferred to keep, and still frequently use them.¹

Now, at long last, I will come to business. The basis and life-blood of a great mail-order campaign is Press advertising. But it is not Press advertising that sells the goods. It very seldom happens that the orders which pay the bill and provide the profit can be obtained by this *medium* alone. I mean, that you cannot induce people to send the money in direct response to newspaper advertising. The function of the Press advertisements is to make the public write to you—applying for a pamphlet or a sample, or perhaps making some small purchase. Thus you obtain a list of names—names of people who have made some approach to you. This is called, still showing American influence, a mailing¹ list. To this list you send the printed matter and letters which ultimately sell the goods. It is the same thing, whether you are trying to find a list of persons who will buy one product, or a list of persons to whom you

¹ The quarrel, now fortunately forgotten, has now long been happily composed. Its most brilliant incident was Mr. Bernard Shaw's joyous advocacy of *The Times*, in a series of letters to that paper. I should be sorry to write any word to recall the bitterness of a controversy which left both sides—and I played a small part on one—with errors of temper and taste to regret.

can sell selections from a variety of goods. The procedure is the same, either way. You follow them up, as the phrase runs, as long as a sufficient proportion will respond to give paying results.

Thus, mail-order advertising of a serious kind is really a use of what I called last week the third main mode of advertising—printed matter delivered direct to the prospective customer. But mark the important difference between addressing persons who are total strangers whose names you have procured from directories of one kind or another, or from selected lists—as a list of motor-car owners, or a list of persons who have contributed to charities, and so forth—and addressing persons who have shown some interest in you. Selected lists, such as I have illustrated by examples, are a recognised commercial implement; they can be bought at a price, or you can contract with concerns, such as the Reliable Addressing Agency, Limited, to address envelopes from lists in the addressing firm's possession. As these lists are kept up to date, and cleared of removals, &c., they have advantages, and I am far from saying that they are not useful—if you cannot compile a list of what are called in the mail-order business 'live prospects.'

But I will tell you something which shows the difference. A friend of mine, who does one of the largest mail-order businesses in the world, often meets at lunch another mail-order man, trading in goods consumed by exactly the same class of buyers. Each of them obtains new names by Press advertising. Each of them sells good wares, and can always do a profitable amount of business by sending a catalogue to the whole list of past buyers.

These two mail-order men had the happy idea—as it seemed—of exchanging lists. Every name in the list of either was a prospect for the other. Many names occurred, as it turned out, on both. For of course the names were on index-cards, and the cards were collated, to throw out duplicates.

But the exchange gave very poor results. The exchanged names were of so little use that each of the men could have spent the money to better advantage by circularising his own customers, even, probably, if he gave these an extra postal shot, out of season. (For, of course, there is a limit to this sort of thing. Experiments have to be made, to discover how often a list will respond to treatment.)

What was the reason for the failure? You will have inferred it from what I said before. Every name on each man's list was a prospect for the other man; but a live prospect for himself only.

On the same principle, the object of the 'Encyclopædia Britannica' advertisements—the policy behind them—was to obtain a list of live prospects. But I must reveal to you another practical detail of mail-order Advertising. This is one that could not have been divined, I think, *a priori*—by a deduction from theoretical principles. It has had to be found by induction from experience of facts: all successful mail-order business is based upon close scrutiny of results. The principle to which I have referred is this: in writing mail-order advertisements, however fully you realise that your object is to obtain names, not sales, you must nevertheless advertise as though you *were* trying to make sales. It seems to be an established principle, that you will not obtain results at an economical outlay if you advertise mainly the

pamphlet, or catalogue, or sample. You must offer these as a sort of secondary object ; but devote the main body of the advertisement to the goods.

I think there are explanations of this—now that it has been discovered. One is, that unless you are advertising a tangible object, the advertisement is not taken seriously. People will not write for the prospectus or pamphlet offered unless they really contemplate buying the goods. That is a very good thing for the mail-order business. Otherwise, much money would be wasted in following up useless names. Indeed it is possible to build up too good a case for the pamphlet, so that persons will write for it who never *could* buy the goods it advertises. Another explanation of the necessity for advertising the goods, not the pamphlet, is, that people who show by their action in applying for a pamphlet that they are serious readers of advertising will not buy the goods unless the goods themselves have the weight and authority of Advertising behind them.

I am getting along rather slowly, but that is because I am only using the 'Encyclopædia Britannica' campaign to illustrate mail-order principles, and have never hesitated to turn aside from it to discuss the principles themselves. I have said that the object was to obtain a list of names. It was done by means of newspaper advertisements of very extraordinary merit, written by the greatest literary genius who ever adopted Advertising as a career, my friend Mr. H. R. Haxton, and directed by the greatest director of Advertising that I have known, Mr. Hooper. They advertised the 'Encyclopædia,' acting on the principle enunciated a moment ago when I said that mail-order advertisements

should advertise the goods. That they did so with success is proved by the fact that they sold thousands of sets direct—straight off the advertisements. But they also caused a very large number of persons to write for a descriptive booklet—what a glorious descriptive booklet it was! To have let the advertisements reveal what a fine booklet it was would have been fatal. There would have been altogether too many ‘curiosity applications’ as they are called. The whole gang of something-for-nothing-merchants would have been after it. The book had stout cardboard sides and a linen back; the pages were of the same size as the ‘Encyclopædia’ itself—and there were about two hundred of them. It was superbly written and was printed in colour. It contained several maps, numerous full-page illustrations, and a number of extracts from the work, most subtly and carefully chosen, to interest the largest possible number of persons, having different tastes; and they were selected in a manner calculated to whet the appetite of the reader.

One thing that I am going to illustrate by this campaign is the fact that it is highly important for a mail-order man to obtain action quickly. Something like twelve different pieces of postal advertising were sent to the applicants for this ‘Encyclopædia’ prospectus. The prospectus cost something more than four shillings a copy, if my memory serves me, merely to print; and it cost sixpence a copy to post. Why was it made so lavish—why so costly? In order to cut off the mailing-list as many names as possible by selling the goods at the first shot—and save the follow-ups. It is likely that none of the follow-up shots cost less than sixpence a copy to

print and post: some certainly cost more. I am saying nothing at all about the cost of preparing them—but a considerable staff of very highly-paid men; from about £1000 a year to £4000 was paid—but only about the mechanical expense. I do not know, and should have no right to reveal if I did know, the number of applications received, first and last, for the prospectus. But I can tell you, because the fact has been published, that 70,000 sets of the 'Encyclopædia' were sold. It would be an extraordinarily high proportion—an unknown proportion, I should say—of sales to inquiries if one applicant out of three ultimately purchased the volumes. Put it at that and you have 210,000—say 200,000 for the sake of working in round figures, in figures of very great rotundity in fact—and you can see how important it was to effect the sale early. To send out 200,000 follow-ups costing an average of sixpence each, the figure I set for the *minimum*, costs £5000: and about twelve follow-ups were going. Every time an address came off the lists, the remainder of the follow-up was saved. If the whole 200,000 went the whole journey, the expense would be £60,000.

Therefore it was worth while to take great pains with each shot. It was worth while to spend money to make each shot as efficient as possible. This brings me to the important and complex subject of records. An efficient mail-order manager tests everything. A new shot will be tried on a limited, a reduced list. The correspondence will be looked at with microscopic care for indications of what, in particular, fetches a reply. Every advertisement in every newspaper will have a key, open or concealed,

that the replies which it produces may be traced. If an inquiry-form, cut from the newspaper, comes back, it has a figure on it. The street-number in the address can be varied, by arrangement with the Post Office. There are other and more subtle ways in which replies can be traced by a clever letter-clerk. The proportion of untraced inquiries is small.

Every newspaper is credited, not only with the initial inquiry which it produces, but with the ultimate sale. This is common to all mail-order businesses that are properly organised. I have deserted the 'Encyclopædia' now, to discuss general principles. Some firms also analyse sales, on the index-card which credits the newspaper, in such a way as to show at what stage of following-up the sale arrived. Such information is valuable. A newspaper or other periodical may fetch replies very freely; but the inquiries may not be of the right class. Much money will be spent on them and few orders will come. Readers of some papers may respond much more easily to following-up than others. I do not know why; but the fact is as I have stated it. Knowledge of all this assists the general manager in allotting his advertising appropriation.

Besides the newspapers, the several follow-ups have each a card, to show what sales they produced. This may not seem to be of much immediate use. Before the card is filled the shot has gone out. But it is invaluable for future use. A particular form of letter or enclosure may prove a strong seller, and its style can be used again; or it may prove a 'dud' and the manner used in it can be eschewed.

Inventing follow-up schemes—I mean by that,

setting the policy for successive elements—is a very intricate business, requiring great knowledge of human nature, much ingenuity, much imagination and insight. The policy may change, from one shot to another, because you may have found the argument which sells the goods to one section of the public, and sold them to all that section. But as you work at arm's length, never seeing a customer face to face, you cannot know this. You can only conjecture it by the fact that arguments once successful no longer bring results. Then you may change the appeal and fetch in a wholly new public. I remember one publisher of books on the instalment plan who was selling a book of the extremely popular type—rather an illiterate kind of literature; for many people who buy and even read books are very illiterate. At one stage of the follow-up, the stage where he was showing coloured pictures of the set of volumes, with the gilt lettering well in evidence—he introduced the curious argument that the books were such an ornament to the house that they were worth having for this alone. They gave more dignity to a room (he said) than a piano! Of course, he was selling to poor people. It is a fact that this shot did very well. They wanted books that gave more dignity to the room than a piano!

The follow-up should, if possible, make a new offer, at some stage. You must keep faith with your public, however. You must not reduce the price. The first buyers have a right to obtain the goods on as good terms as the last buyers. If you announce a temporary reduction, it must be announced at the beginning. To put the thing alliteratively, you must not penalise prompt purchasers. And

when you set a time to close a temporary-reduction offer, you must stick to that time like a plaster! Otherwise your follow-ups will lose efficiency at a great rate. The people will never believe you again. The utmost limit to which you may go, perhaps, is to extend the time over which a purchase by instalments can be spread : and even this is a little doubtful.

But you may introduce as often as your resources or your ingenuity may permit, new devices for recommending the goods. I will mention only two, used in the 'Encyclopædia Britannica' campaign, and then I shall have done with that affair. One was an offer to send the Encyclopædia—worth from £25 to £60—for inspection, on approval. No deposit was asked. No conditions were attached. The publisher paid carriage both ways, if the books came back.

The other device was more complicated. It was an examination scheme, for very substantial prizes. The first prize was a University scholarship, or, alternatively, a cheque for £1000; and there were numbers of other prizes. The questions were all based on the Encyclopædia. The answers to them could all be found in it, and they had to be supported by references to chapter and verse, volume and page. But that was not all. It was not necessary to buy the Encyclopædia in order to enter the examination, which consisted of three papers, with a monthly interval. For a small sum the volumes would be lent, with a bookcase to hold them, for the necessary three months; and if they were ultimately kept, the sum paid was deducted from the price. I may say that it was deducted pretty often : very few sets came back. You may be

interested to know that the winner of the first prize took the thousand pounds; he did not go to the University. Quite in another connection—quite apart from *The Times*, I mean—I happened to meet him. He was a very bright young man. And he had to be, to answer the questions.

I have done with the 'Encyclopædia Britannica' now. It has served to illustrate a good many principles, and also to exhaust more of my time than could be wished. Smaller mail-order businesses do not always follow the rules, and some of them do rather funny things—particularly those that sell medicines for either increasing or reducing the girth of the human equator, or various beauty treatments. This kind of mail-order selling, I am glad to say, is on its last legs. I hope it will soon disappear. These people have no scruple about penalising the early buyer. If you will not pay a pound you can have the treatment for fifteen shillings. But I do remember one concern whose follow-up I investigated as a curiosity-inquirer, in the temporary character of 'Miss Russell.' It was a complexion producer. The first letter, very vilely produced, and not looking in the least like an individual piece of typewriting, addressed me familiarly as 'Dear Miss Russell.' This affectionate salutation did not match the rest. It did not even try to. The letter was signed with a rubber stamp by the lady who said she was the manageress. She was so interested in dear Miss Russell's letter that she had set aside one of the limited number of treatments which she was allowed to offer at the specially reduced price, and put Miss Russell's name on it, so that the moment the money arrived, the parcel might go forth without

delay. And it cost so little. Only £2 for all that loveliness! Later on, after the price had come down in successive follow-ups to (I think) half a sovereign (with the condition that I should exhibit my improved appearance to my friends and tell them how I grew so good to look upon), a fresh personality appeared on the scene. This was the manageress's secretary. The manageress had gone away for a brief holiday. On her desk was a parcel addressed to Miss Russell. There were no instructions to forward it. In fact the only memorandum about it that could be discovered was a note that Miss Russell was not on any account to be charged more than ten shillings, which puzzled the secretary, because, of course, the proper price was £2. Would I send the ten shillings, therefore, and enable her to make the manageress's desk nice and tidy by the time she returned, refreshed, to the business of distributing pulchritude by post? All this was produced by what was palpably a duplicating process, adapted for turning out large numbers of the letter at low expense and high speed.

That kind of thing is so silly, so palpably dishonest, as to dig its own grave. The serious mail-order people, as I have told you, would be glad to attend the funeral, and even pay the undertaker. It is a blot on an honourable business. I only describe it, as an example of a state of things which is fortunately becoming obsolete. I will place beside it an incident which is pleasanter to contemplate. An advertising agent of my acquaintance had a mail-order client whose transactions yielded to the agency a fine profit every year. The mail-order man did what is called a merchandising business :

he bought his goods from manufactories and sold them at a profit, just as a shopkeeper buys and sells his stock. This is a perfectly legitimate and useful business. But this man presently did something more. He was, I may say, advertising something rather cheap, as a bargain, and when it was sold he sent with it a catalogue. All the business that made his profit was done in goods ordered from the catalogue. But the bargain must have shown good quality, and been honest value. Otherwise the catalogue would not have done him any good. Where this mail-order move overstepped the mark was in this catalogue. Suffering from excess of zeal, his advertising manager procured a picture of the works where some of the goods were made—perhaps all of them; I am not sure—and inserted it in the catalogue with the words ‘Our factory.’ As soon as the advertising agent became aware of this—as soon as he knew that he had been employed to advertise a catalogue containing a false statement, even possibly of a rather pale colour, a white lie; if any lie is any colour but black—he informed the advertiser that he must either withdraw the catalogue or take his business somewhere else. And I will add—what is honourable to both parties in the transaction—that the catalogue *was* withdrawn. I hope you will remember this when you hear people say hard things about Advertising.

Before leaving the subject, I just want to describe briefly, with another example, one feature of mail-order business. Not all mail-order work is designed to sell merely one product, like the ‘Encyclopædia Britannica,’ or like the rustless knives so much advertised since the Armistice released chrome steel

for civilian use. There will not be time to discuss the mail-order trade in technical products. But I do want to speak of selling continuous supplies of commodities which are consumed.

This is a totally different business from selling a specialty. When you first obtain a new customer by press advertising, you do indeed follow him up. But it is even then a follow-up with a difference. And afterwards, when you have gained your customer, you must find out just how often he will reward your assiduity if you remind him of yourself. This is a matter for experiment, like all the other things in mail-order selling, and I need not dwell upon it. I want to take you through the initial capture of the customer.

He responds to a newspaper advertisement. He sends for some catalogue, or sample, or bargain that you have offered. Then he is given a follow-up treatment. If he does not respond, but comes to the end of the series, it is all plain sailing. But suppose he buys something?

That is a new problem. He is not yet a regular purchaser. At least you do not know that he is going to be. The rest of the follow-up is of no use to him. It seems as though a staff of corresponding clerks—dictators and stenographers—would be needed to take care of so complex a series. But it can be made automatic. I think I had better come at once to the promised example—the example twice promised, for it is that of Martins Limited, the largest mail-order tobacco firm in the world. Their main business is, of course, in cigars.

The feature of the business that I want to describe is the way in which individual letter-writing is cut out.

Mr. Martin told me some time ago that he had 300 form-letters in stock, and that very few things that a customer or a prospect could do to him were not provided for.

The easiest way to represent what happens would be a chart, something like a genealogical tree, or perhaps it is better to liken it to a garden tree in the winter. The main stem would represent the general follow-up sent to an inquirer who never ordered at all—a failure. The principal branches would represent the various ways in which a new inquirer might respond. The smaller branches from the main branches, and finally the twigs, would represent the subsequent transactions, or rather, all along, the kind of following-up produced by all of them.

The moment a man who has made a previous inquiry orders something, the card with his name and address is taken out of its box, marked with the purchase, and placed in another box, bearing the date when a follow-up, determined by the exact character of his purchase, will be due. Another card, bearing only his name and address—a guide card that never moves—is marked in a way that indicates whither the moving card has gone. If the man orders a second time, or writes a letter, his card is unfailingly traced and properly marked; and he will receive a standard answer, if he has done any of 300 things—the 300 things that are found by experience to happen most often. Thus it is as nearly automatic as anything of this kind can be. But is it cold, formal, red-tapey?

It is not. I have been able to tell you in a few words how the perfect mechanism of the Martin

business operates. But I could not tell you in a few hours of all the care, all the thought, all the real good-feeling that go into the making of those letters. Mr. Martin has some very able men on his staff; but as he often says in his light-hearted way, the most important helper he has is Mr. Human Nature. It is because he has studied men, because he understands and loves his kind, and takes a real interest in the pleasures of the men to whom he sells, that he has been able to create, and is able to direct, this intricate business. Mr. Martin, more than any other man, was instrumental in collecting money and organising Funds for sending tobacco and cigarettes to the men in our ships and our armies during the late War. It was by knowing how to appeal to human nature that he accomplished this, and through his great organising genius that he enabled all the money to buy the highest attainable limit in quantity and quality, so that the men got as much as human ingenuity could make possible for the money subscriber, and got it as good as possible.

I could tell you many more things about mail-order advertising if there were time. I told you something last week about the amazing mail-order department of the Timothy Eaton shop in Toronto. I could tell you much about the big catalogue houses of the United States—Sears, Roebuck & Co., and Montgomery Moore & Co., and the rest—if there were time. But it is necessary to approach the second part of this final lecture, and deal with Advertising as a Career.

PART II.—ADVERTISING AS A CAREER

You may have noticed that, as a general rule, a man will not advise another to enter upon his own profession or calling. He is too intimate with its drawbacks, and, by the time he is of an age to be pursued for advice, is very likely a little disillusioned, a little tired. You are now about to meet with an exception to this rule. To a person whose mind and habits are of the appropriate type, I give you as my deliberate, my considered view, the opinion that no career offers such good opportunities as Advertising. None has, as I see the future of the world, a more expanding future.

Advertising is as yet in its infancy. I told you in my first Lecture that its real progress dated from the discovery that the only really efficient advertising was honest and truthful advertising. That discovery is not much more than thirty years old. There are advertising men who have not observed it yet. They are content with the minor profits still obtainable by exaggeration and petty dishonesty. These profits will grow smaller and smaller as time goes on. The future lies at the feet of those who will take the trouble to be truthful. It is not so easy as the other course, but it wins.

You have the opportunity to get on the waggon while it is moving forward, but has not yet gathered speed. Advertising, in the future, will be conducted in a far more scientific manner than now. Throughout these lectures I have repeatedly spoken of the policy by which Advertising is determined and

governed. In my third Lecture I gave you a dim and fragmentary outline of what advertising policy means, with a few examples. I am sorry to say that most advertisers as yet go to work without any clearly defined policy. The word is strange to them. Very often they have a policy without knowing it. I mean that an unsystematised, unscientific sense of the best way to sell their goods by advertising causes them to advertise in a particular way; but as they have not formulated any principle to themselves, they are always liable to get off the line, and waste money on side-issues or through mistakes in policy. It takes a long time and requires a more varied experience than that which can be derived from any one business, to develop a sense of advertising policy, and that is where the professional worker can do a great deal, and is already doing a great deal, for Advertising and for advertisers. I had been twenty years in the advertising business before I adopted the profession of advertisement consultant, mainly with the idea that by analysing the problems of advertisers I could develop a systematic policy for them, and that this work had a big future.

Without a defined policy, Advertising is what the general public thinks it, a sort of intuitive process—an art rather than a science. Not many years ago, manufacturers who advertised groped about for a plan, using guesswork, with their hearts in their mouths, rather astonished when they made money, not at all sure that their increased turnover was not attributable to pure luck. Plenty of them still secretly think so. When times are bad, the first expense to be cut out is advertising. Presently

they find themselves worse off than ever, and then blame Advertising.

All this comes from the mischievous fatuity of regarding Advertising as an art. I am going to show you, in a few moments, how advertising policy can be evolved, and indicate opportunities for intelligent workers seeking a career.

When I recommend Advertising as a career, I am not offering to initiate you into a soft job. I know, indeed, of no calling where promotion is so rapid, and no profession which can be entered with so little formality, so little preparation. Certainly an advertising man who makes a good average success will make as much money as an average solicitor, doctor, or architect. But a doctor cannot begin to earn money until he has spent a good deal of money upon his training. He cannot start business at once by curing headaches for a small fee, and presently learn to cure pneumonia and get a larger fee. A solicitor must serve articles, with a heavy stamp-duty on his indenture, and pass two examinations, before he can practise. But all the advertising men who are now at the top of the tree were earning money in some other way before they moved to the advertising side of business, and were earning money while they picked up their knowledge of Advertising. They rose because they deserved to rise. There is no other calling in which unassisted merit earns promotion so uniformly and so rapidly.

Do not let this make you think that it is all easy. For one man who makes a real success in Advertising a hundred never rise above the position of a clerk. If Advertising is lavish in its rewards, it is also merciless in its criticism. Much thinking,

much perseverance, hard work, teachableness, self-denial and courage are required : and these are not all. Without initiative and originality they will not carry you above the foot-hills. These are what you must cultivate, along with the less showy virtues which I have been inculcating. But how interesting the work is, even at its humblest ! How fascinating is a task wherein your chief implement is the human mind ! How much better worth while is the work itself than the monetary reward ! I have been thirty years in the advertising business. I was a lazy young dog when I began, and have always steadfastly refused to go on with any work that bored me. I can truthfully say that though few men have worked harder, and many men have made more money, there is not an hour of the work that I have not enjoyed. Yes, the work is hard. It takes more out of the brain than most things. But the reward is in proportion, as I count reward. Advertising is a hard mistress to woo ; but her generous caresses repay all the rigours of a courtship that need not last so long as the patriarch's service for Rachel.

What are the qualifications of an advertising man ? I have named the critical ones. In essence, they come down to this—that a man must be willing to do his own thinking. Cleverness is not enough. It has been said that a good advertising man is one who has the patience to do well what clever people only do poorly.

Of course, training is necessary. It can be had for nothing by taking a humble post—a clerk's job—and waiting for your opportunity. Now and then—for the vacancies are not frequent—a little money will enable a young man or young woman to be

articled to a consultant. This should lead the way to the better-paid positions, because in the office of a consultant with a large practice there are opportunities to study the problems of a number of different businesses. My own practice, for instance—I only talk about this because, naturally, I know more about my own than other people's—includes iron and steel manufacturers, engineers, and manufacturers of different engineering products, and certain textiles—none of them ever advertised to the public. On the other hand I have clients who are retail drapers, hosiers, shirtmakers, fancy-goods dealers, who advertise direct to the public in single districts, and mail-order traders who deal with the public all over the world. Another is a manufacturer of knitted underwear: another is a large chemical concern, manufacturing dye-stuffs, and another a dyer and cleaner. I have one client who advertises a baby-food, one who makes marking-ink, two who make fountain-pens, a retail grocer, wholesale tea-dealers, publishers, printers, and many others: and of course, people drift in for advice on all kinds of businesses. These things I only tell you to illustrate the great variety of businesses into which a man will obtain an insight if he can get a footing in the office of an advertisement consultant or agent in a large way of business. Plenty of advertising agents handle quite as many different types of business as that. A pupil who could spend a couple of years in any advertising office, whether an agency or a consultant's office, where he could study a variety of problems like that could, if he had anything in him at all, at once command a living wage—£5 a week or so—at the end of his pupilage, and would rise rapidly. That

is the general rule—that he would only earn subsistence-money at the start. A man must prove his worth before his pay advances; but when he has proved it, his pay rises fast. Payment by results, a man receiving a bonus or percentage, is common in some branches of the business. A thousand a year is not at all out of the way as a salary for a good man. What he can obtain in the way of positions carrying a bonus, or working up into a partnership or shares in a limited company, naturally depends upon a man's own gift of salesmanship—I mean of selling his own services.

But you must understand that this kind of thing is not done by amateur work. Many people think that advertising is a nice easy job for amateurs. That is a mistake. And Advertising will become more and more technical as time goes on. Amateurs used to make money on it a few years ago—a little money: not much even then. They cannot make any money on it at all now, and a good thing too. The conception of Advertising as a business depending on artistic inspiration or a series of happy intuitions is not only inaccurate but mischievous. It has led to a great deal of bad advertising, and has been the means of discouraging men who might have done well. Advertising is not a fine art but a commercial operation. A banker who established a new branch on the strength of an inspiration to the effect that business could be done in a given place would not long have a business anywhere. No one conceives of any commercial operation, other than Advertising, as being conducted except with experienced prevision and on settled principles. Yet Advertising, which is just as technical a job as

banking or medicine, is quite commonly discussed as if it had no scientific basis at all—as if it were a pure gamble.

The most conspicuous feature of Advertising in the near future will be—in fact the most conspicuous feature of really modern Advertising is now—the demand for exactness. This offers one career. People outside the business think that Advertising means advertisement-writing. Advertisement-writing is only one department of it and not the most important. Policy comes first. A modern advertiser, when he is launching a product or a campaign, does not go at it blindly. He investigates the conditions. Here is a chance for some very interesting work. It may have the nature of research. I can only suggest to your minds in a very rudimentary way what is meant, by contrasting two types of merchandise. Suppose you had one manufacturer who wanted to sell washing-machines, and another who wanted to sell marking-ink. What, respectively, would their advertising policy be ?

The first would want to find the right sort of *medium* to interest people who did their washing at home. He would believe, probably, that only the poorer people washed at home : the rest sent their clothes to a laundry. But he might set someone to test this belief, and discover that while the middle-classes in some parts used the laundry, the rich kept laundry-maids. And he would find, perhaps, that in rural districts nearly everyone washed at home, perhaps employing day-labour.

This would not be discovered without some trouble. The habits of the people might differ in various parts of the country. You know they do

differ. In London, hardly any bread is made except by bakers. But in some counties every housewife bakes bread, and sometimes the practice varies even in neighbouring towns. In some Lancashire towns it is hopeless to advertise any sort of fancy foods for cooking, because the wives work in the mill. They buy pastry and cakes at shops, and cook hardly anything at home but meat and vegetables, and sometimes not even these. The national kitchens have fostered the non-cooking household—they, and the scarcity and the atrocious inefficiency of domestic servants. You can see what a problem this would create for the makers of such things as baking-powders, gas-stoves and so on, and what an advantage for vendors of branded breads like Hovis or Turog bread. Well, you might find a similar diversity of habits in relation to washing. Before spending any money to advertise a washing-machine, the local problem would have to be solved, and then, presently, the problem of how best to approach all the possible buyers, and not waste money on the impossible part of the public.

Furthermore, it is conceivable that the washing-machine man might consider the policy of trying to change the habits of the people. He might ask himself: Can I show that my machine makes washing so easy that people will be induced to buy it, instead of sending their clothes out? Changes as radical as this have been effected. When I first saw a man smoke a cigarette, it was a mystery to me. Only foreigners smoked cigarettes before about 1878. Advertising has established this habit. Could it change a habit like the laundry habit? This would be a subject for research work. Advertising has

taught business men to use typewriting instead of penmanship. It has revolutionised office system and book-keeping. I put it to you, as I have often put it to practical men, that research work is an integral element of Advertising. A man who had in hand the problem which I have suggested—of selling washing-machines—would take typical localities and find out just how many households used the laundry. That would give him a notion of what sized obstacle he was up against. He could also estimate the magnitude of the market not spoiled by the laundry habit—I mean how many houses did their own washing, and were consequently what would be called ‘live prospects.’ Where the richest houses proved the exceptional class, or any large part of it, he would further try to find out whether the right approach was through the laundry-maid, or through the housekeeper, or whether the lady of the house herself had to be converted. Having looked into all these matters, he might decide that the conversion of the general housewife-public to a new habit was too big a job. Then he would approach the problem from a new angle. Certain types or values of houses, and houses in towns as opposed to houses in the country, would be ruled out as useless to him. After investigation he might fix a certain rent as representing the maximum for a home-washing household. But this might all be upset in some places by local peculiarities. There are towns where the houses of the value which elsewhere would wash at home do the work at the municipal laundry. Why? Because in these towns the poorer houses are still of the back-to-back type. They have nowhere to dry their clothes. Another

thing that he would probably do, would be to watch how far from a town laundry carts collected. All the houses outside the limit would be live prospects. A proper statistical statement and an apparatus of maps and graphs would show him where his market lay. Then he could settle tentatively upon his mode of advertisement, but not upon his exact merchandising plan.

There are other problems here. What is the right selling approach? Do people buy an article like a washing-machine from the ironmonger? And do they buy in the nearest ironmonger's shop or go up to the big town? Do they then go to the ironmonger, or to the departmental shop? Or would they more readily order by post? The habits of the people in relation to this particular kind of purchase would have to be probed, and also the habits of the retail trader. What help could be expected from the ironmongery- or furniture-shops? Would it pay best to fix a retail price, and take steps for ensuring the retailer a good profit, so as to engage his interest? Or would it be best to leave the price to be fixed by competition? People might be thought willing to buy at a certain price, but not above it. That would be a reason for leaving the price to settle itself by competition. On the other hand, the ironmongers might refuse to handle the article unless protected against the cut-price retailers in large towns. These would be matters for investigation, and they ought to be investigated before money was spent, not after the money had begun to be spent. It is spending money in the dark that gives Advertising a bad name.

Now turn to the problem of the marking-ink man.

It is the exact reverse of the other in every way. He wants the laundry customer. The other wants the family that washes at home. The washing-machine man wants to sell something that costs a fair sum, for a poor household, but lasts a long time. The marking-ink man wants to sell something that costs very little, but has to be bought again and again, because it is soon used up. One has his market chiefly in the country and in the poor parts of towns. The other has his market almost entirely in the middle and upper classes and in towns. One man hardly thinks of London. For the other, London is a leading market. In merchandising, there is the same contrast. The washing-machine man will most likely deal direct with the retailer. At all events, he will have to investigate trade customs and find out whether the jobbing-house—the wholesale middleman—is of any use to him. But for the marking-ink manufacturer it is certain that the middleman is the right distributor. His average sale per shop is so small that he cannot afford to concentrate on direct business with the retailer.

You can see that this sort of work provides a career which, on the face of it, does not look much like a career in Advertising. Yet it has more to do with the success of Advertising than many callings classed as strictly within the scope of Advertising. By such investigations as these, policy is determined. Advertising is a house in which there are many mansions.

I have only been able to sketch out for you, in a very imperfect way, one kind of research work—the kind technically called field work. As I never

happen to have organised field work on a washing-machine, I am certain to have overlooked many problems that would arise. Research work of other kinds is done indoors. A great many businesses possess, in their records, a mass of information which might be used with enormous profit, to direct the policy of their Advertising. Perhaps all businesses possess it. Once more, I can only suggest the subject by a rough example, superficially described. The business of a trained advertising man would be to think out schemes for himself. But I will suggest one to you.

You know that in many businesses an article is sold to the consumer, and then the consumer buys something that is used with it. He buys a typewriter : he will want ribbons, at all events ; it may pay to sell him paper, carbon sheets, and other things too. He buys a safety-razor : he will always be requiring blades. He buys a player-piano. It is of no use to him without rolls of music. In this way the disadvantage of a business in which a single sale appears to exhaust the customer's buying-capacity is overcome. But a better example than any of these would be a thing like a hand-camera or a gramophone. The initial sale is not so large as where a player-piano is sold. The use of supplies is continuous. Do you not see, as soon as I have said this, that the tail may be heavier than the dog—the supplies more important than the initial sale ?

A useful form of research, in (for example) a photographic firm, might take this form : People *will* insist on all sorts of different cameras—some to use glass plates, others for roll films or for cut films ; others, again, with a stand, others of the

snap-shot type, with or without a full-sized screen instead of the small view-finder. The use that a person makes of a camera will depend upon certain features of it that make it easy to use, or give a particularly good picture. The supplies—plates, films, paper and so forth—will to some extent vary according to the type of camera. Suppose you analysed the sales of these things, and found that certain cameras were used very much, and certain others very little. You would here have a line of policy to pursue. Supplies are probably more profitable to sell than cameras, if you count all the supplies that fit one particular camera: they are consumed; they go on selling; they represent, on the aggregate, a larger sum of money that you can get. Very well. You will, therefore, so frame your advertising as to push the kind of camera that uses the most supplies.

Again, in a photographic business it would not be very difficult to find out the subjects that are most often photographed. I used to tell a client of mine in that business, that the biggest consumer of plates and paper was the snapshot of the baby pulling the cat's tail. But I may have been wrong. Some less engaging subject may be most popular. But, anyway, by taking a look at the films and plates sent to dealers to develop, you would be able to accumulate statistics, showing that out of a hundred amateur photographs, so-many would be landscapes, so-many groups, so-many portraits, so-many pieces of architecture, and so on. If you found that one particular class of subjects predominated, you might so frame your advertisements as to follow the line of least resistance.—Recommend people to take the

kind of picture that you find that they like to take, and you will sell more supplies, and make new amateur photographers who want to take just that kind of subject.

All this is difficult, brain-racking work. When you come into contact with a business, you will not at once strike the idea for the sort of information that can be sought in its records. You must think, and think, and think again. But *somewhere* there are facts which you can dig out, and use for the directing of policy. A man or woman who can originate schemes of this kind commands good remuneration, because the information, properly used, is sure to yield large profits.

It is always a fortunate thing, from the earner's point of view, to be attached to a department that shows visible profits. About the worst drawback to the advertising department is that the expenses show so much more plainly there than the profits. The sales-manager gets all the credit. The advertising manager stops all the stones thrown at expenditure and extravagance. That is because of what I said a little while ago—that manufacturers and other advertisers are not yet fully converted to the opinion that Advertising is a really organised and definite process.

But the advertising man is coming into his own. Very largely this is through his influence on production and turnover. He compels the works to manufacture more stuff, because it sells fast; in a mercantile house he compels the buyers to order more goods because the turnover is rapid. Besides all this, the advertising manager sometimes discovers, through his varied investigations, that the quality

of the wares manufactured or handled needs to be improved. He is always wanting to raise the average value per customer. And again, his information often shows him that the selling-methods of the house are faulty. Travellers are not backing up the advertising as they should. Middlemen are being allowed too much profit for the work that they do. By proper gingering up they can be made to earn their discount. Thus it comes about that the advertising manager often acquires a leading position, and is placed on the Board of Directors, or absorbs the office of sales-manager. You may remember my saying of a certain problem discussed in my first Lecture, that it might seem more a sales-problem than an advertising problem, but that this really did not matter. Every sales-problem is liable to be a problem for the consideration of the advertising department, and every advertising problem is more or less a sales-problem. Thus great advantages are obtained by unifying the two departments. That does not mean making one man do two men's work. It means making one man supreme—putting him over both departments. That one man will generally be the advertising manager, because the advertising man's type of mind is likely to be the more progressive. But it does not make much difference. If the nominal sales-manager takes control, either he will develop the advertising man's type of mind, or he will have to go. I am constantly struck by the number of men whom I have known just as the advertising managers of different firms, and seen rise to the positions of Directors. In the right firm that position is a legitimate object of ambition. If you get into the kind of firm where such prospects

do not exist, I advise you to keep an eye open for the opportunity to change.

But I have been going rather far. We had not reached managerial positions yet, and I want to tell you about things of more immediate practical interest to yourselves—to the younger and more numerous part of my audience. I have described a class of work—industrial research—which is being employed and will be much more employed in the near future. That is work for a man or woman who has had some experience, some training in statistics and even in economics: and it also demands an energetic, questioning personality. Other work affecting policy is done by persons with commercial experience, combined, consciously or unconsciously, with psychology, or a grasp of human nature. I said a little about this in another part of to-night's lecture. The direction of advertising policy requires a good deal of experience. It is work for others than the beginner.

After policy comes copy-writing—but take care that it does come after. I devoted a whole Lecture to this department of Advertising three weeks ago, and to-night I need not discuss again the qualifications of a copy-writer. I only need tell you just how a copy-writer enters upon his or her work—it is eminently suited for women—and rises in it. Except in novels, he does not enter upon it, believe me, by writing a brilliant inspirational piece of copy, posting it to a big advertiser, and being thereupon appointed to the head of the advertising department. In most cases the new copy-writer is already employed in the advertising department, or is observed to have the education, and the kind

of brain, that make a possible copy-writer. Then he is given a chance, because copy-writers are rather scarce. In a well-organised advertising department or advertising agency, the embryo copy-writer is even then not set down with a blank sheet and bidden to think-up ideas. On the contrary, the head of the copy department, or perhaps the advertising manager in person (according to the size of the organisation) will explain the proposition, as it is called in advertising men's slang, and outline the selling policy. Then he will suggest one or two ideas for copy, and lay down the line of argument. The copy-writer will then go away, frame advertisements accordingly, and if he has developed (or been given) a mode of display, will make a lay-out or explain to the art-department (if there is one) what he wants. Finally, he will submit the type-written copy of the lay-out to his chief, who will go over it, explain the faults, and send him back to do the work all over again, and again, and again, until it is satisfactory. He will not, if he is wise, impose any idea upon the copy-writer until he has succeeded in convincing the copy-writer that it is sound, because no man can write copy that sells goods unless he believes in the argument.

The next stage is reached, some fine day, when the copy-writer brings back to his chief, not only what he has been told to write, but some original work of his own. This, if it has any germ of success in it, will be gone over, and corrected in the same way as the other. By degrees, less and less alteration will be needed, more and more of the work will be original, and the cub copy-writer, as he is called, will become a full-fledged advertising man, fit to be

sent to study the goods ; walk about the factory, picking up ideas from the foremen and the managers ; talk to travellers and consumers, and hereby supply his own notions about policy instead of having them prescribed for him. For that is what the copy-chief has been doing, far more than he has been correcting cub-English or suggesting headlines. He has been bringing the copy into line with policy—the only way to make good copy.

In the same kind of way, draughtsmen are trained in making pictures and designs for advertising : but a good deal of art-work is bought, even in businesses and agencies large enough to have their own art-departments ; because art is a tricky sprite—even commercial art—not easily chained down to a desk.

Of course, what I have said applies only to large advertising firms and advertising agencies. If you get a start in a small concern you may have to flounder about, getting your own experience at the expense of the firm. There are many openings like that for a man or woman who has first had a little experience in a subordinate position in a large house. The small advertiser is not risking much. He is probably rather close to his own advertising, and can side-track any serious blunders. The job is not so large that he cannot control it, and even if something goes wrong, the loss is not great. It pays better to have a cheap advertisement spoiled from time to time than to pay the salary of a high-grade advertising man, who would charge so much for not spoiling it that he would eat up too much of the profits. I am thinking of retail advertising in the provinces, particularly. Hundreds of men are doing the whole

work at anything from £4 to £8 a week, for single shops, gaining a lot of experience, and turning out copy that is sometimes astonishingly good. They are modest, painstaking chaps; who read everything about Advertising that they can get hold of, labour to improve their work, and presently try for a position in a larger concern, or in an advertising agency. That sort of retail opening has promise in it, if you are young, and can get a little experience first, by doing the donkey-work of a big concern in London. When you go out to take the little responsibilities that I have described, I hope that what you may remember of these talks of ours in the last six weeks may be of some use to you.

Other work in major Advertising includes contracting. An advertiser using a number of papers, or an advertising-agency, will need a man or a whole department to buy the space, verify his insertions, and book them up. Buying newspaper space, unfortunately, is quite a technical business, because only about 6 or 7 per cent of the papers and periodicals of this country have absolutely fixed rates: 94 or 93 per cent of them are open to a bargain. Offering the lowest price with the least shame is the art of the contract-man. Of course it is a disgrace that more than 95 per cent of the publications in this country are owned by people who refuse to divulge the circulation for which advertisers pay, and that about the same proportion charge him, not according to the value of the space and the size of the circulation, but according to his own hard-heartedness and gift of making a bargain. Billposters are in this respect better to deal with. You can count the bills shown, and the price is the same for all. In no other form

of advertising, except postal work, can you check-up the expenditure and make so sure that you are receiving all the publicity that you pay for, as in billposting.

Designing and writing printed matter are another department of Advertising ; and so is the planning and buying of it. And the organised supply of blocks for printers and newspapers to use in illustrating the advertiser's work calls for good office-work and system. Work like this last is what a beginner is set to do when he obtains his first foothold in an advertising concern. The original blocks, made from drawings, are stored apart from electros and stereotypes. In a well-managed office, every block that goes out is accounted for, and must be returned when done with. According to condition, it is scrapped, and the value of the metal recovered ; or put away to use again. The organisation must include provision for keeping enough blocks in hand to supply all requirements, without ordering too many, which is a waste.

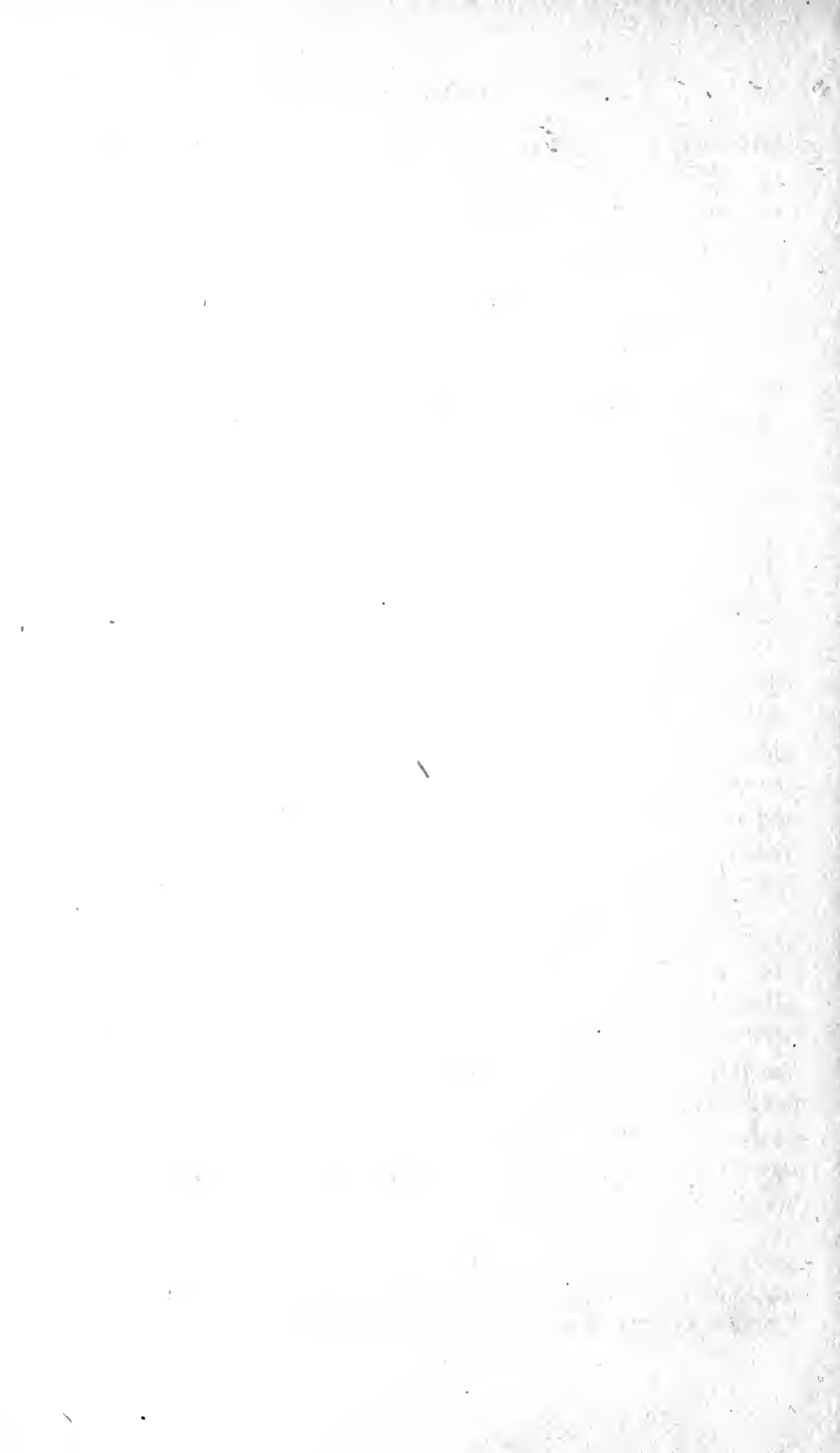
In all this, I have spoken chiefly of the career offered by Advertising to young people, not at all the career of the man at the top—the advertiser himself, the advertising agent, the advertisement consultant, the billposting contractor, the contractor for postal advertising, the electric-sign man, and the rest. All of these follow businesses in which there is a career. It would hardly be useful to discuss them here, and it would certainly be untimely to discuss them now.

But if I tried to tell you all the things that enter into Advertising I should keep you here all night—and then forget something. I have kept you pretty

late already. This is our last night. If I have said anything to help those of you who look to Advertising for a career, I count myself happy to have had the opportunity. I will say one thing more. Perhaps it is worth more than all the rest. In New York there is published a weekly paper which I mentioned in my first lecture. It is called *Printers' Ink*,¹ and it is devoted to Advertising and the problems connected with Advertising. Much of it is, of course, purely American. But the whole of it is so practical, so full of high ideal and of workmanlike suggestion, that you ought to read every line of it every week.

And now all that remains for me is to thank you for the patience with which you have let me ramble on through some few departments of the great subject which I have attempted in these six Lectures. You have been most patient auditors. Within the limitations inseparable from so partial a treatment of the complex business of Advertising, I have kept back nothing that I know. For Advertising has put joy and pride into my work for a good many years now, and I should be a poor creature if I would not take a good deal of trouble to do what little I might for its advancement and honour. And I do assure you that if you embrace a career in Advertising you will be doing good and useful work—work that does return to the community more than you take out of it. That, I take it, is the test of an honest and economic calling. Advertising fulfils the test. And it is certainly a very jolly life !

¹ *Printers' Ink*, 185 Madison Avenue, New York, U.S. Subscription, three dollars a year ; postage, outside the United States, two dollars extra (Canada only one dollar extra).



APPENDIX

NON-COMMERCIAL, SEMI-COMMERCIAL, INSTITUTIONAL, AND FINANCIAL ADVERTISING

I

AT the suggestion of some correspondents, I add to the foregoing expositions of strictly commercial Advertising a few remarks on what may be called Uncommercial Advertising, or Advertising which does not sell anything, or does not sell goods or services directly. Along with this it will be proper to discuss the cognate subjects of institutional and co-operative advertising, where the object is not to sell one particular product, but a whole class of products, the output of different producers : and I add some notes on the selling of intangible utilities departing a little from the strict classification of subjects in the heading.

Advertising of a non-commercial kind has, of course, been used on an enormous scale during the War. All nations engaged in that conflict used the weapon of publicity not only, or even chiefly, to influence opinion in the nations to which they were opposed, but also to influence the actions and feelings of their own citizens. Non-commercial Advertising had, of course, often been used before this. Municipalities, and other local authorities, in this country and in America, have advertised, either to increase the populations under their care or to defend some of their public services against discontent. At the General Election of 1910, I conducted, in conjunction with my friend Mr. Robert Donald, then editor of the *Daily Chronicle*, an advertising campaign for the Liberal Party. During a dispute in the London

building trades, a few years ago, a poster was used to give publicity to the views of one side. The Board of Trade advertised largely during the winter of 1918-19 with the objects of reconciling householders to the shortage of coal, and of inculcating economy. This work was controlled by a well-known advertising man, my friend Mr. L. H. Hartland Swann. The Government used newspaper-advertising during the dispute with miners and railway men in February 1919. The London General Omnibus Company and its allied traffic companies, already famous for the restrained beauty of their pictorial posters, were instrumental in organising a movement to use Advertising for the prevention of accidents, and these 'Safety-first' advertisements are conspicuous examples of non-commercial publicity. Possibly there is no connection between the two facts: but in the year after these 'Safety-first' advertisements were begun, the London General Omnibus Company paid an increased dividend. Posters, designed to teach travellers how to use the trains, have been displayed in the London Underground Railways—you are asked to step off quickly, to move down the carriage instead of lingering at the doors, not to push your way into a crowded train, not to enter a train that has started, and so forth. Some manufacturers and commercial firms have used what is called 'institutional' Advertising: instead of advertising their wares they advertised the firm. I believe that financial announcements and company-issues in the future will not be confined to the traditional dry-as-dust prospectus-form hitherto used. The example of the Irish Linen Industries, which have lately appropriated £90,000 to the object of advertising linen in the United States, will, as I have reason to believe, be followed in the near future, and probably before this is printed, by some other large co-operative advertising in another textile trade. Large sums were raised for charities, long before the War, by advertising. Thus there is evidently an opportunity for some remarks on Advertising that does not merely aim at selling goods.

II

I will first deal with War Advertising. In 1913 recruitment for the Army was rather slow. It had been promoted exactly as an old-fashioned, unprogressive business is promoted. The change to modern methods (which resulted from a perfectly casual conversation on the golf-links between Col., now Gen. Seely and Mr., now Sir Hedley Le Bas) was exactly like the change in a business which puts off the old aspects and becomes modernised. Recruits had been obtained through the reputation of the Army as a concern where there was always a place for a man out of a job, and where no inconvenient questions were pressed. Outside barracks and police stations, and in similar positions, boards of formal and not very legible type explained the conditions of service. A great innovation was felt to have been effected, some twenty or thirty years ago (the latest change of copy !), when coloured pictures of impossible-looking soldiers in review-kit were added to the legal-document announcement. A man very ardently desirous of getting into the Army might, by the help of the acute and trained intellect known to distinguish the type of men who used to enlist (as a last refuge) in His Majesty's forces, find out what was going to happen to him. He might do so, I mean, if he had had some literary training and knew how to pick out the facts which he required. Lacking this, but with the fortunate aid of a police-sergeant acquainted with the topography of the district, he might find his way to the recruiting-office. But he would be very unlikely to experience a call to arms, the result of an enthusiasm created in his bosom by the language of the announcement, unless he had already decided that it was the Army or nothing for him, at the particular juncture. In fact, he was just like the customers of an old-fashioned manufacturer. If they wanted a given commodity, they might, with some pains, find out where to buy it ; but nothing was done to make them want this commodity, unless a salesman from the grocer's (we will say) was 'pushing' the goods when he called for orders at the

side door. And that is a slow process. Correspondingly, recruiting-sergeants with coloured ribbons appeared from time to time in country places, and by persuasion, not always unaccompanied by beer, brought in a few customers—I mean recruits. The expense of enlisting a man was about thirty shillings, as I understand: and not quite enough men were obtained to keep the *cadres* filled. But it was a peaceful time, and this did not appear to matter.

As a consequence of the Seely-Le Bas conversation in November 1913, Mr. (now Sir Hedley) Le Bas persuaded the War Office to take the job seriously—exactly as an advertising agent sometimes induces a manufacturer to take a modernised interest in his selling. A pamphlet on the advantages of the Army was prepared—I was myself consulted upon it in a professional capacity—and this pamphlet was offered in full-page advertisements for recruits, published in daily papers. As a consequence, the Army obtained in a couple of months all the recruits needed for the year—as the year then looked to the War Office and the authorities at the Horse Guards—and obtained them at a cost of about 10s. instead of 30s. a head.¹

But the Military Authorities were to have a rude awakening. On the day that war was declared, Mr. Le Bas was sent for in haste. He immediately formed the famous Recruiting Committee for advertising purposes. It consisted entirely of vocational advertising men, including myself, and at once began to insert in newspapers some advertisements very unlike the old police-station announcements. The poster-work simultaneously undertaken was conducted by a different body, of which I know nothing except that this body frequently adopted our lines of argument and thereby attracted comment—usually unfriendly.

One fact in connection with the work of the Le Bas

¹ It is right to say that the Army itself had previously become a little uneasy about recruiting. There had been a recruiting-stand at one of the popular exhibitions in London the previous year, and I was privately consulted by an officer on the preparation of some literature for distribution there. The matter was unofficial; and the officer, I believe, paid my consultation-fee out of his own pocket.

Committee, and indeed with very nearly the whole of the official advertising, deserves mention. Newspapers were not asked to insert the recruiting advertisements gratuitously. The United States Government, when it presently entered the War, obtained its newspaper space for nothing. Some of the space was, in the language of the country, 'donated' by the newspapers themselves. The remainder was the gift of advertisers, who very unselfishly made their country a present of it, sometimes not even stipulating for a line of acknowledgment at the end. The Le Bas Committee worked without payment; but the space was bought, though at commercial rates—not at the old 'official' rate which newspapers had the patriotic habit of extorting from the Government.

The note of these Recruit-advertisements was emotional. They appealed to patriotism. Their appeal was not in vain. Kitchener's Army of the Glorious Uncompelled, which saved the country in the awful autumn of 1914 when the Old Contemptibles had been so hard hit and had made such splendid sacrifices, was the fruit of the Le Bas Committee's work.

The first War Loan marked the beginning of a new era in financial Advertising. Sir Hedley Le Bas was responsible for this also. The advertisements were not written by the Recruiting Committee, but in about equal amounts by two members of it, acting in a professional capacity. This, and the subsequent brilliant War Bond campaign conducted by my friend Sir G. A. Sutton, might perhaps be said to have been commercial in nature, since those who responded to the announcements received very good value for their money. But it cannot be questioned that the policy behind the War Savings advertisements was uncommercial. The appeal was to patriotism, not to covetousness, though the keenest investor could not have done better with his money.

A less showy, but exceedingly useful, series of advertisements, also of a financial character, enabled the Government

¹ The advertisements issued by the Le Bas Committee were written jointly across the table. No member of the Committee has the right to describe himself as the 'author' of them, or of any one of them.

to acquire control of British investments in foreign securities. This control had great importance in stabilising the rate of exchange, and improving it. The result was to increase the purchasing power of the £ sterling, and it can be said with truth that the real effect of these advertisements was to make food and munitions cheaper.

Labour was obtained for munition work by means of Government advertisements, prepared and issued by Sir Hedley Le Bas. They were as much unlike the usual 'situations vacant' style of advertisement as the War Loan and War Bond advertisements were to the old style of financial publicity.

Without Advertising, and advertising of a highly modern kind, conducted by professional advertising men, free from the blighting effect of Civil Service control, it is certain that the thousands of millions sterling, the hundreds of thousands of workers—the voluntary army which (in a sense) settled the War—could not have been obtained. Old-fashioned copy and the typographical displays, calculated to repel rather than attract, which used to be employed for official announcements, would never have done the business. So many people have 'won the War' that one finds a difficulty in setting forth the modest claim of Advertising and the advertising profession to have helped a little. They did not 'win the War.' The War was won by the men who bore the brunt of it—soldier, sailor, airman, engineer, and the gallant trawler-crews who swept the sea of mines; not by any civilian, any statesman, in a sense not by any General or Field-marshal, but by the valour of the rank and file of the British Empire, France, Italy, and America. But as they could not have won it without leadership, without munition-work, without food-control, and a dozen other things, so they could not have won it without the aids which Advertising brought.

III

A municipality advertises, normally, with the object of perfecting its own public services. Managing a town or city is an expensive business. Good management benefits all the

inhabitants ; but the inhabitants do not like the rate of local taxation to be raised. They will put out of office an administration that is too enterprising, if the rates rise very much.

Consequently, a municipality that wants to make progress must first find more ratepayers to tax. It can find them by advertising for them. Another kind of municipal advertising is that used by seaside places, spas, and other holiday resorts, to attract visitors who will fill the coffers of the local shopkeepers. It is often financed by the voluntary contributions of those who expect to be benefited. It is then, as a rule, pretty bad. The fact that it has a certain amount of result—though it has nothing like the result which it might have under competent management—only serves to illustrate the enormous potency of Advertising.

Municipal Advertising of a more serious character is used by a number of manufacturing cities, and is usually managed by a committee of the Corporation. A good deal of money is wasted through amateur management, and there are enterprising people who know how to exploit this amateur management for their own benefit. These things are managed better in America, where every considerable city has its Advertising Club, willing and eager to take charge of the job for nothing.

Examples of very competent management are not unknown in this country, however : and the most intelligible treatment of the subject will be to select one of them. Readers of *The Times* are familiar with the name of the Sheffield Development Department, organised by a committee of the Corporation. This committee has contracted for a series of advertisements in a number of newspapers, notably in that very valuable and important publication, *The Times Trade Supplement*, in the *Engineering Supplement* of the same daily, and elsewhere, selecting papers read by consumers of Sheffield's chief products. In these advertisements, the eligibility of Sheffield as a site for manufacturers is announced, with an offer of printed matter ; and the civic announcement is surrounded by the individual advertisements of firms in Sheffield, who pay for a proportionate share of the whole space. Thus

at small expense, the Development Department sends its message to the right public, and the local manufacturers send their announcements to prospective customers, reinforced by their neighbourhood to an official notice.

But this is only the groundwork of the scheme : it is only the method by which the Corporation comes into touch with what I called, in the Lecture on Mail-Order Advertising, 'live prospects.' No one, presumably, replies to such advertisements unless he is really thinking of a move. Therefore every inquirer is worth careful treatment. The piece of printed matter which the Development Department sends to inquirers contains a comprehensive statement of the case in favour of Sheffield. It shows what waterways, roads, and railways serve the City of Splendid Steel. It shows the proximity of Sheffield to coal-measures, tells what the freight of manufactured goods will cost to various ports, and even shows whereabouts there are satisfactory residential places in the neighbourhood. The inquirer is told about the low death-rate, the local cost of electric current, gas, water, coal, and other things ; and also the current rate of local taxation. But, above all, what the 'prospect' is told is this : that if he will explain confidentially his requirements in the way of a factory or a site, the Development Department will send one of its trained men to go over the ground, and find him what he wants, or rather something that looks sufficiently like being what he wants to justify his coming to Sheffield to look at it. When he arrives, he is met, driven to the property, and conducted to every place where it seems likely that he will find a home for his factory. He is introduced to estate agents, architects, and others, if he desires. He is given the use of the Department's records, and its large-scale maps. He is helped in every possible way to find out whether Sheffield will suit him—and all this without a penny of expense for the service, and without the slightest breath of obligation.

American municipalities have a practice of relieving a new-comer from local taxation during a period of years, as an inducement. Some of them have also had much success in using another kind of non-commercial advertising. In

one city the municipal tramway service was not very popular—as the London County Council tramway service is deservedly unpopular now. But this American city published advertisements in the local papers, explaining certain difficulties which, in the nature of things, could not be immediately overcome : and the result was that the people became reconciled to the imperfections of the tramway system, and, by tolerating them, so raised the revenue from the service, that there was money enough to improve it ; when the grievances were removed altogether.

IV

The Safety-first advertising initiated by the London General Omnibus Company is a useful public service. This mode of life-saving is another use of advertising which originated in the United States. The earliest example of it was the famous ‘Stop ! Look ! Listen !’ sign adopted by one of the railroads. Owing to its enormous length, the permanent way of American railroads cannot be fenced off and protected as in this comparatively small country, where even a level crossing here and there is regarded as something of a public scandal. That is why a cowcatcher in front of the engine is an American invention : there are level crossings almost all along the line. People were always being run over, until someone thought of putting up a big sign wherever a road crossed the line. Characteristic American brevity boiled the warning down to three words—‘Stop ! Look ! Listen !’ and these three words saved a large number of lives. Americans are brief in all their public announcements. In a park they do not say, ‘Visitors are requested to walk only on the gravel paths’ ; they say ‘Keep off the grass’ ; and they say it so often that an American child distinguished England as the country where she was allowed to walk on grass—for the first time in her life.

Spending money to make it easier for people to travel without accidents may or may not be a profitable commercial investment. Looked at cold-bloodedly, it would probably

cost the allied traffic companies less to pay what compensation might be exacted for mishaps for which liability could be brought home to them. And as it is pretty difficult to get about London without the help of tubes, General Omnibus Company's omnibuses and London United Tramways Company's cars, the odium created by frequent accidents would probably not deprive the companies of much traffic. But they take a more enlightened view of the subject. As I pointed out in the Essay introductory to this volume, the idea of service is inherent in modern Advertising: and assuredly the 'Safety-first' campaign is service, even in the sense commercially attached to that word. I believe it pays.

Advertising for passenger traffic, perhaps, only comes within the scope of these appendicular chapters with a little straining. It is certainly not uncommercial. The object of it is to sell transportation. But, as it was not dealt with in the lectures, a few lines about it may be tolerated.

The problems of a railway directorate are (as has been said of the truth) seldom pure, and never simple. Almost always there are great complications. Broadly speaking, a railway advertises for passenger traffic because it is very nearly as cheap to haul a full train as a train partly empty, and a long train as a short one. But only a superficial consideration of the passenger-traffic problem would suggest that all the railway had to do was to sell as many tickets as possible. The railway requires to manage things a little more definitely than that. It must sell enough tickets to fill trains. The more accurately it can manage this, the more successful its efforts will have been, in a commercial sense. Whenever Advertising fills a train and a quarter, or a train and a half, there is a loss of efficiency: possibly there is even a loss of money—it ought to fill two whole trains, and fill them as completely as possible.

Evidently it is not easy to plan for results with the degree of nicety which would give this hundred-per-cent efficiency. And the complications do not end there. Suppose the railway company decides to boom a particular place—Skegness which is 'so bracing'; Swanage with its 'yellow sands.

And suppose the Advertising is so successful that Skegness and Swanage are choked with visitors, and still the visitors keep on coming? The railway company will make a little more money by taking the surplus population, justly enraged, a little farther along the line. But what will happen to Skegness and Swanage next year? How long will it take their respective sections of the coast to recover from the disfavour infused into the bosoms of families first disappointed of their sojourn in the place which they chose, and then compelled to spend their holiday in another place, to which they did not want to go at all?

Yet again, there is the problem of the supply of coaches. It does not pay a railway company to have its carriages distributed otherwise than according to certain very complicated plans; and it would be very easy to advertise in a way which would disturb these plans. A temporary excess of travel to a section that is 'quiet' all the remainder of the year also creates problems of staff. A station that can be quite comfortably managed with a man and a boy all the year round, requires a number of porters, ticket-collectors, booking-clerks, and other functionaries to cope with a rush of traffic. The football clubs interested in cup finals negotiate in a protracted manner with railway companies before they decide to kick-off for the cup at a particular place: and the questions are largely those of adequate staff to handle the crowd. Big things like this are not so hard on railway managers as little things like small stations with a sudden influx. The policy behind any campaign of railway advertising is perhaps more difficult to settle than that of any single commercial campaign, and requires all the forethought which I tried to inculcate in my second Lecture.

Like most things in this country, railway advertising has the nature of an evolution. It has developed, 'muddling through somehow.' It has not been created to meet a sudden condition. Nearly everything is managed like that in old countries. Only new countries improvise an entire system. At the beginning of things, railway companies, never very liberal spenders (except for lawyers' bills), believed themselves

to be in possession of a perfectly good advertising medium that would not cost them anything at all, except a little printing. They observed, in the mid-Victorian period, that contractors had no difficulty in letting space on the stations to advertisers. The invention of that unpleasing material, enamelled iron, had given a tremendous impetus to station advertising.¹ If other people were willing to pay for space on the stations, presumably the advertisement was good. Accordingly, the railway companies came to an understanding among themselves, by which they exchanged space on each other's stations, and considered their advertising problem solved.

But it was only the question of a *medium* that this system of swapping decided for the companies. For a long time, they considered that a time-table, stuck on a station wall, gave all the publicity required. While you were waiting for a train in Glasgow, you could find out how long it would take you to go from Cardiff to Penzance, perhaps! The pictorial efforts of commercial advertisers presently suggested something bolder. A bootmaker sold boots, the railway men observed, by a poster consisting of a picture of a boot.

¹ I owe to the kindness, and the enormous experience, of my friend Mr. Walter Hill—the *doyen* of the poster business—a dramatic account, hitherto unpublished, of the way in which enamelled iron was first introduced into railway-station advertisements. The late Mr. James Willing had a contract for advertisement-spaces inside carriages—those crowded arches over the luggage-rack, of which some of us are old enough to remember the universal existence. He was always having trouble through the destruction of the cards used, and through the pleasant practice by which the public indulged a taste for making indecent additions to the illustrations. There seemed no way to stop it. Poster-advertisers suffer from the same trouble to this day, and certain designs which lend themselves, by accident, to this, have to be posted out of reach.

Mr. Willing was being driven in a hansom along Southampton Row, within sight of Mr. Hill's present office, where he told me the story, when he caught sight of a small sign, apparently made of porcelain, on a shop front. Something unusual in its appearance made him stop the cab. He examined the sign, tried a pencil upon it, and asked the shopkeeper where he got it. With the information thus obtained he went, the same afternoon, to Birmingham, and made enamelled iron very nearly his own for a good many years. His capital Shakespearean slogan—'Willing "doth give us a bold advertisement"'—stood him in good stead, and his successors still use their fortunate name in another very good slogan. They call their business of railway-contracting 'Willing Service.'

A manufacturer of pianos showed a picture of one of these instruments. Very well ! The railways could do the same thing : and they did, or thought they did. They made posters (they still make them, sometimes) from the picture of a locomotive, forgetting that they were not trying to sell engines. What they ought, logically, to have done, was to advertise the picture of a railway-ticket. The London & North-Western Railway Company went farther still, and made a poster, used again within the last few years, out of the front entrance to Euston Station ! This attractive structure, looking more like a mausoleum than anything else, was, after all, the germ of modern railway poster-work. It did at least depict a place to which the railway was prepared to take you ! But it remained for some genius unknown to fame to divine that when a railway wants to advertise, the subject of its announcements should be, not the railway, nor the locomotive, nor the time-table, but the places which the railway serves—with as little as possible about the railway at all, and preferably nothing. The railway does not wish its customers to think about the price of the ticket, nor about the noise of the engine, but about the pleasures of going somewhere.

Much the same evolution has been undergone by steamship advertising, though not with the same completeness ; and the P. & O. (which has a well-managed advertising department), the White Star, and other lines, still make great use of seascapes and big ships. It would probably be better to show the interior comforts of these vessels, as, indeed, many steamer-advertisements do. The spectacle of a picturesque ocean, with 'white-caps' and the waves which no artist can resist, is only too calculated to awaken the hideous dread with which 99 per cent among the citizens of the most maritime nation in the world contemplate a sea-voyage.

Publicity for both railways and steamer lines is in its infancy. Very little true Advertising is done for either. It is one characteristic of Advertising, as distinguished from mere public announcement, that it creates new wants, and does not merely direct an existing demand. Traffic-advertising

should be organised to create new traffic. The holiday resort advertisements of the railways do this. But it ought to be possible to go much further. A well-organised advertising department for traffic promotion would try to create new all-the-year-round traffic.

Some rather feeble posters at Liverpool Street Station and elsewhere really do make a bid in this direction. They announce the desire of the Great Eastern Railway to promote business like egg-preserving, &c., at suitable places on its line : and this is one of the few efforts of railway companies to advertise for goods traffic. It is very likely that these posters are symptomatic. Perhaps the Great Eastern—a very energetic and well-managed line—is doing more than meets the eye. However this may be, it is certain that a railway company could, under suitable advertising management, create a vast amount of new business.

In order to do this it would be necessary to be a little bit broad-minded. The railway must be forgotten for a time and the development of a piece of territory made the subject of consideration. Some research work, of the kind contemplated in the second half of my sixth Lecture within,¹ would have to be done. Competent observers would be sent to the ground. They would investigate the opportunities offered in various districts served by the railway which employed them—what natural resources awaited development, what manufactures and trades could be profitably carried on, what chances were being neglected. They would not confine their ambitions to big business. They would remember that the total traffic derivable from a given region was their objective. If it seemed a case for intensive development by small concerns they would go after the small concerns.

Consider, for a moment, the possibilities of fruit-farming as a feeder of the railway systems. It was said, before the War, that a small man who went to great expense, and employed untiring industry, in raising soft fruit, had to pay so much to get it to market, and was so ill-served by the

¹ P. 241 *et seq.*

railways, that he could hardly make a living at the game. It was shown that sometimes delivery was so slow that fruit deteriorated, and fetched a poor price, or became totally unsaleable (so that all that the grower got for his trouble was the privilege of paying freight for goods that he could not sell); and some effort was made to organise co-operative road-haulage by steam wagons of the modern rubber-tyred 'Sentinel' type, which is superseding the old lorries, and in many parts of the country making it practicable to compete with railways for goods traffic.

A skilful promoter of railway traffic could do much to extend fruit-growing. He might go very far, in this direction, from his more obvious functions. In Canada, and in California, and some other parts of the United States, fruit-growing has been organised until it is a real business, very unlike the haphazard, trust-to-Providence job that it is in this country. Mr. Colville Stewart's business in branded 'Malvern' tomatoes and 'Malvern' cucumbers has few imitators as yet, and not many farmers have his energy and keen business sense. They need to be taught to do here what their fellows across the Atlantic have learned to do for themselves. In Canada, the Provincial Governments interest themselves in the apple-business. A farmer has to spray his trees and grade his crop. He is not allowed to 'top' his barrels, putting inferior apples in the lower part. A wormy apple is almost an unknown phenomenon in a Canadian barrel. In California and Florida, oranges, lemons, apples, walnuts, and other fruits are collected from the growers, graded, packed, and advertised co-operatively, with the result that acreages have enormously increased, the grower is no longer at the mercy of capricious markets, and the fruit, enormously improved in quality, fetches a price which pays a huge profit on the cost of this work of organisation.

A great deal of missionary work was needed to interest the growers in such schemes. What is to hinder a railway company from shouldering a similar job in this country? The men to take up such enterprises as small fruit-growing,

egg-farming, poultry-farming, potato- and tomato-growing and the like, are, at the time of writing, waiting for the call. Great numbers of soldiers, discharged after the War, ardently desire an outdoor life. They do not want to go back to shop-counters, desks, and factories. High rents are an obstacle that ought not to be permitted : a landowner who contributes nothing to production, except his abstention from preventing it, should not be allowed to grab so much of the profit that there is not enough to make the work of producing food attractive. A proper and economic land-tax would do much to force land into productiveness. But co-operative organisation would make husbandry profitable even at the ridiculous rents which are such a weight round the neck of farming that in this country, until war enabled them to exploit the market, farmers were nearly always poor, while in America and Canada they are nearly always rich. The thing only awaits an organiser of genius ; and in any English-speaking country but this, railway companies would supply the man, and make a well-earned profit out of his work. I know, personally, one man of great business ability, who owns an egg-farm in Kent, and can sell all the eggs that his hens are able to produce under the most persuasive treatment, at the top market-price. He packs and dispatches by rail thousands of eggs every day, to the great profit of the railway company, and was making money for himself in war time, with feed and every other purchase at terrific prices, within eighteen months after he took possession of the bare land. Why do not railway companies do something to promote such work as this, instead of merely waiting for it to be promoted by someone else ?

Having found the field for development (and of course farming is only one example, chosen at random), a railway-traffic organiser would visit the farmers on the ground, persuade them to meet, and show them how to work co-operatively. He would look for new ground available, and bring people to it. He would also prepare, or cause to be prepared, suitable pamphlets, books, and other printed matter. He would not be content to explain how desirable he thought

it for people to come to this part of the country. He would present facts ; he would go into details ; he would collect statistics. He would show *how* the work could be done, as I showed, in a book written for a land company in British Columbia several years ago, how dairy-farming was organised there. He would, in fact, create a working text-book, and direct readers to other practical books supplementing it, in order that nobody whom he succeeded in interesting might go into the business without understanding quite clearly what he was going to do, what profits he might expect to make, and what losses from climatic and other accidents were liable to overtake him.

The organiser would also make himself acquainted with the editors of technical publications, who would have a natural interest in helping him. They would perceive that he was working for their benefit, and doing it for nothing—so far as they would be concerned. He would be creating for them new readers, and new customers for their advertisers. They could be relied upon to pull with all their weight for his scheme, and to give him much valuable free advertising.

In all this there would be not a word about freights, nothing about the railway, unless the railway company was making new stations, organising collections, and so forth : and then only incidentally. The railway-man would not be advertising the railway in any ordinary sense. He would be advertising the district. And of course the same thing could be done in a great many parts of the country for a great many industries. Research-workers would be constantly discovering opportunities and inventing ideas : often they would no doubt make some expensive investigations with no result except the knowledge that a particular scheme would not work.

Railway companies have, in the past, done very little to advertise for goods traffic. They have employed travellers and agents to do a little canvassing. That is about all. There were difficulties in the way of advertising directly for freight. I hope to have shown, above, the great possibilities offered by a system of advertising for it indirectly. Incidentally, of

course, companies who followed this line of policy would be doing a great service to industry and commerce and helping the nation to pay for the War.

V

Insurances of all kinds are examples of intangible utilities sold by being advertised. They are not, any more than railway tickets or freights, uncommercial subjects of Advertising ; but as they are not ponderable merchandise, and were not discussed in the Lectures, a few remarks will be allowable here.

It is curious that the only insurances that have been at all vigorously advertised in this country should be those which are least profitable to the insurers, and most difficult to push. The Eagle, Star & British Dominions Company has, during the last year or two, advertised insurance against numerous contingencies, and its 'All-in' policy, covering almost everything which can happen to property, has given the company a splendid commodity to talk about. But, of course, the kind of insurance which brings the biggest return per sale to the insurer, and represents to the insured an investment instead of an expense, is life insurance. And life insurance has never been really advertised in a modern way in any country. The big selling-point has always been missed. The finest opportunity in the world for emotional advertising is neglected.

Insurance-managers seem to think that the one object of concern to a man who is going to insure his life is security. In the face of their unquestionable experience, which ought to make their opinion supreme, I have the temerity to believe them wrong. One company—the 'old' Equitable—does persistently ignore the security argument or takes it for granted, and builds its case on 'return.' Other insurers have used this argument from time to time ; but the Equitable's steady campaign in (for instance) the *Westminster Gazette*, consisting entirely of examples, stands alone. The examples are all of one pattern : they could not be bettered.

In each announcement one completed contract is analysed in the following way—I transcribe the one which appears in the *Saturday Westminster* just delivered to me :—

‘T. B. L. effected an assurance with the “Old Equitable” when he was thirty years of age, for £10,000 payable at his death, which occurred this year. The Society pays £39,370, which is nearly four times the original sum assured, and three times the total premiums paid.

‘Equitable Life Assurance Society.’

This is undoubtedly a good advertisement. I think I know the reason why other companies do not use similar copy. It has nothing to do with insurance. The reason is that insurance-managers are not advertising-men.

The fact that they are not is shown by the way that they spend their money, and the copy that they write. Consider for a moment their practice. They spend great sums of money on framed cards of enormous size and great hideousness. These are distributed to ‘agents’ (sometimes being sent year after year to a man who has never written any business except his own life-insurance contract, having got himself appointed an agent in order to obtain the commission), and sent to solicitors, land-agents, and other people who may occasionally require to insure someone for the sake of the collateral security thus created. Another thing that they do is to pay newspapers to report the annual meeting, and show what fine speeches titled directors can make ; and they print incomprehensible ‘tables’ and little books without one scrap of creative salesmanship, with an agent’s name in front. A ‘live’ agent uses a few of these : hundreds of thousands are printed with the names of agents who never have written any real insurance, never intend to write any, and would not know how to write it if the business dropped into their laps. I am not describing the procedure of any one insurance company : I am describing that of dozens of insurance companies. Men who can spend money in this style evidently are not advertising-men.

The copy published in this useless manner is just as

destitute of psychological common sense as the mode of publication is destitute of business sense. The three staple subjects of announcements are :—

1. The reserve funds of the company.
2. The names of the directors.
3. The picture of the office.

Now, I venture to say that the bread-and-butter income of insurers all comes from people who are perfectly indifferent to all these things. Insurance-managers are blinded by the dazzle of the occasional big contracts, written for financial reasons and not prudentially at all, where security *is* the chief consideration that is perpended. When the ordinary man, on getting married, insures his life, what he thinks most about is obtaining the best possible return for his premiums. And even about this he does not think very, very deeply : an energetic insurance-agent who has looked up a man like this, awakened his desire for life insurance, and used real salesmanship upon him, very often loses the business because the bride's aunt has a poor relation who collects a few premiums in his spare time, and as dear Angelina is going to be secured by a policy, what is the matter with poor old John taking Edwin to *his* company ? If poor old John cannot pull it off by himself, Edwin being something of a business man, a smart inspector, coming to the rescue, saves the bacon : for, to anyone without actuarial knowledge, almost any insurance company can produce a special table which, by manipulating the figures properly, with some dodge of reducing the premium after the first few years, or reducing it *in* the first few years, and raising it after, or otherwise, can make out a good case for itself. I am not saying anything against insurance or insurers. Life insurance is one of the greatest benefits which human ingenuity has devised for the prevention of distress ; and insurers—I mean life-insurance companies—are the soundest and honestest of men. Except that some companies are more economically managed than others, and some take better advantage than others of the longer lives enjoyed by teetotallers, there is probably not much to choose between them.

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If you pay more, you ultimately get more. If you insure 'without profits,' you pay lower premiums, and can invest the difference somewhere else than with the insuring company, thus putting your eggs in different baskets. If you insure 'with profits,' you save yourself from the temptation to spend the difference at once, instead of banking it on perfectly sound security. Fancy tables, looked at by an actuary, give (as he knows) pretty much the same value for money. Competition takes care of that. The item for 'management' is the only really important difference between companies.

What insurance-managers overlook, because not being advertising men they have never heard it, is that real salesmanship means something more than getting first to the customer when he is in the market. It means creating the market, or rather creating in people's minds the desires that make them customers. For the made customers, the Equitable's plan of proving that it gives splendid value for money is excellent. It is even, in a limited way, really creative. Such an announcement as the one which I quoted a little way back must sometimes make a reader say 'That sounds like a good investment. I will look into it.'

But when you consider the true possibilities of life insurance as a subject for advertising copy, see how many opportunities are missed! What would happen if someone went to work and advertised life insurance as the Eagle Company advertises contingency insurance, or wrote-up life-insurance as the Sun Life Company of Canada writes up annuities? Imagine an advertisement writer like Mr. Haxton, who wrote the 'Encyclopædia Britannica' advertisements, let loose upon the glorious possibilities of life-insurance advertising! Think how such a writer would appeal to the emotions and touch the heart-strings: how he would drive home the moral—that a man who lives up to an income that will perish with him, teaching his wife and children to require a certain dignity of living, a certain standard of comfort, and then dies, leaving them with an insurance policy for a sum representing about 5 per cent of his income, or no insurance at all, is a cowardly scoundrel, who ought to

be ostracised and booted out of any decent club ! Imagine him when he analysed the insurance statistics of this country, showing that 75 per cent of the men living on a salary would leave their families in want if a motor-bus, in spite of the 'Safety-first' advertisements, ran over them to-morrow ! Consider how the wives of the nation could be made, by such Advertising, to awaken their husbands' consciences, and how the danger of delay which may make a man uninsurable would be painted in burning words of perfect truth and enormous public usefulness ! The average insurance carried per head of population in this country is, or was a few years ago when I had occasion to hunt up the figures, less than one-half that in the United States. Yet America is a spendthrift country and this is a thrifty country—little as the first Peace Budget would make you think so. In America, wealth is always computed in terms of capital : in Britain it is always computed as income. Americans say that a man is worth so many thousand dollars. Here we say that he is worth so much a year. Yet even wasteful, lavish, spendthrift America—and life-insurance advertising in the United States is not much better than it is here : not *much* better—insures itself for twice what prudent Britain, including Scotland, thinks sufficient ! Advertising could double, and should be able to treble, the average amount that it would cost the companies for an Englishman to die, while it would confer almost unimaginable benefits upon the nation and prevent an almost unthinkable amount of suffering.

Insurance-managers, like other business men who do not advertise, are obsessed with a fear of their travelling salesmen. The traveller brings orders. He is in direct touch with the customers of the firm. Goodness knows what might happen if the traveller's efforts were hampered. One insurance-manager told me that he would be afraid to advertise in a way that would bring inquiries which he could give to his out-door men to follow up. The out-door men would waste so much time on these, and would be so discouraged by being made to give an account of them, that they would neglect their proper business ! Moreover, there was

always a danger in educating an entirely new 'prospect' to consider insurance. He was not like a man who had already come to the point. You might spend hours and hours in convincing him that he required insurance : and then some other company would get the business through a friend or relative who was a spare-time agent.

Of course, if this is true, insurance salesmanship is wrongly organised. The companies could easily reform it. They are close enough together on many sides. A man cannot safely make the false statement on a company's proposal-form that he has never been rejected by another company. Actuaries compare notes and find out whether what a proposer says to one company agrees with what he says to another. The companies should get together on other subjects : and one thing that they should do is to cut out what may be called the amateur agent—Angelina's aunt's poor relation—and the agent who costs the company money year after year for wasted advertising matter because he once succeeded in getting back the agency-commission on his own premiums. But, even as it is, contract-snatching, such as my friend feared, is exactly like other kinds of Substitution,¹ and can be cured in the same way. If the advertising is strong enough to sell the goods, Substitution is not strong enough to unsell them—whether the goods are face-powders or insurance-contracts. But the main subject of life-insurance advertisements should be just life insurance, not companies, not reserve funds, not directors, not the building where the company lives. And advertisements so written could be made to prevent contract-snatching if they were written properly. I believe it possible to sell insurance by the printed word alone—to sell it by post, as a mail-order proposition : it is so sold in America by the Postal Life Company. But I am certain that life insurance could be sold by the printed word, properly written, with adequate following up by professional agents, who should be paid not by a large commission designed to reconcile them to going without salary and paying their own expenses, but by a large salary and a small commission. It would pay a

¹ See Lecture IV, p. 159 *et seq.*

concern, properly financed and advertised, acting for all life companies, on the present basis to advertise life insurance and send its own salaried men after the prospects obtained by post, selling contracts for whatever company happened to have tables to suit the particular prospect, or whichever company the agency happened to think well of. Such a concern could make the companies pay it a very heavy straight commission—a very large part of the first premium and a percentage on all renewals, however collected—and would become rich. That it could unquestionably do so is, incidentally, a ground for believing that my plan of organised salesmanship on good salary and trifling commission is the economical one.

But in either case, everything would depend on good Advertising.

VI

Many industries could be greatly advanced and developed in this country by what I have called co-operative Advertising, to increase the total demand for their products. Such Advertising, essentially creative in its nature, would not carry the name of any individual manufacturer, nor his brand, though if the advertising were only sustained by a part of the entire trade a common trade-mark might be used. The most important example of co-operative Advertising in this country has been that conducted by the British Commercial Gas Association. Benzole, for use as a motor-spirit in competition with petrol, has likewise begun co-operative Advertising. The Irish linen industry of Ulster has appropriated half per cent of its turnover for co-operative Advertising in the United States. The Scottish Woollen Trade-Marks Association, Ltd., is a company incorporated under the Board of Trade to distinguish and advertise tweeds and other cloth manufactured by a powerful group of manufacturers in the south of Scotland. Not less than a score of different industries in the United States have combined for the purpose of co-operative Advertising, either public or technical.

British gas advertising has been noticeably successful.

Of course gas, as an illuminating agent, is visibly on its last legs. Only exorbitant charges and bad management on the part of the various concerns that sell current, has stood in the way of the complete triumph of electricity, and hardly a new house is built that is not wired for electricity. Yet the consumption of gas is steadily rising. Advertising has promoted the use of it, to some extent, even for lighting—a purpose for which it is all but obsolete—but to an enormous extent for heating and power. A better example of the trade-creating value of Advertising could not be wished. The normal increase in consumption was last year accelerated by no less than 13 per cent, which runs into big figures with a commodity like gas. There are still many industries that could be co-operatively advertised, and that would thence derive great advantages. Such advertising will unquestionably be an increasing phenomenon of the next few years, and it may be worth while to consider some of the problems which it creates.

Two obstacles have to be overcome before an industry can be organised for combined advertising. They are (a) want of unanimity, and (b) mutual distrust.

Through want of unanimity, a plan for co-operative Advertising has often fallen to pieces because a few concerns in the business declined to come in, believing that they would obtain as much benefit as the subscribers, without parting with any money. A promising co-operative scheme, arranged by myself when advertisement-manager of *The Times*, was wrecked by the abstention of one firm. The others refused to spend their money 'for the benefit' (as they rudely put it) 'of the hog who stayed in his own sty.'

Mutual distrust is an obstacle where contributions to the advertising fund are made on the basis of individual turnover. Every member of the combination is liable to be in a position to ascertain the amount of business which his competitors are doing. I have never been able to understand why an Englishman in business thinks it would be fatal to his interests for anyone else to know how much he is selling. Figures are freely and willingly given out for publication by the

shrewdest business men of the United States,¹ and no disasters follow. But this instinct of reticence is a great obstacle to co-operative advertising, just as reticence of another kind has hitherto placed great difficulties in the way of scientific accuracy in advertising statistics.²

There are plans by which the reticence of manufacturers associated for co-operative Advertising could be respected, and a proper contribution from each assured. They might, for instance, entrust a chartered accountant, acceptable to all, with the task of examining their books and collecting contributions. The total sum required might be ascertained, and the money collected, by the accountant, in proportion to sales or production, or in any agreed way. He would pay the cheques into his own banking account, and either pay the advertising bills himself or else transfer the funds to a common account, being restrained by oath or (if preferred) by being put under heavy bonds, from letting the cat out of the bag.

Another workable plan, and the one adopted in its rules and Articles of Association by one of the combinations mentioned above, is to assess members according to their plant. A firm having so many machines pays so much: a firm having twice the number pays double as much, and so on. But this is open to the objection of favouring the factory that is already doing best by keeping its machines fully engaged and perhaps working three shifts a day. *Beati possidentes*—‘to him that hath, to him shall be given: from him that hath not, shall be taken away.’ Moreover, the assessment would fall most heavily upon factories that were in difficulties, were working short time, or had experienced a strike in the course of the accounting period.

A plan which would work well in trades where the goods

¹ Such figures are constantly published in *Printers' Ink*, New York.

² If we could know how much per cent of sales is absorbed by advertising various branded commodities, many uncertainties in Advertising could be removed. Nothing, of course, could make it possible to predict with mathematical exactitude the returns from a particular announcement; but great advantages could be obtained by a statistical treatment of averages. The subject is touched upon, *supra*, Lecture II, pp. 106-117.

were being sold under a common trade-mark, would be to print labels applicable to uniform quantities or values, and sell them to members of the association at a price which would represent the agreed advertising assessment. This, again, could be done without divulging the individual statistics of the members. The labels could be entrusted to an accountant or other neutral and confidential agent, to sell to members, keeping the details to himself. No individual firm could obtain the benefit of the advertisements without buying labels to pay for them : and each would contribute to the expense in a manner justly proportionate to the benefits which he knew himself to be obtaining.

The difficulty of organising a combination where the entire trade has not joined forces is not so great as, on the face of it, might be thought. Business houses are growing broader-minded. When the British Commercial Gas Association began its very competent and dignified advertising, only about a third of the companies and municipalities owning gas-works had joined. The advertising was inevitably bound to assist the sales of all gas-producing concerns, whether they contributed or not, since the advertisements appeared in many periodicals of nation-wide circulation. The second largest gas company in the kingdom kept aloof for a good many years. But experience has shown, in this and other instances, that when really competent advertising is done, the dissentients gradually come in. The National Benzole Association has begun work, though I believe that more than thirty and less than forty per cent. of the producers have assessed themselves. The Sulphate of Ammonia Association certainly does not include all producers. The society formed to advertise Irish linen in America received the voluntary contributions of flax-spinners, manufacturers of spinning-machinery and of looms, and even banks, all of whom would necessarily have derived indirect benefit from the advertising, and need not have given a single penny. The breadth of mind and commercial liberality shown by these examples indicate that co-operative Advertising has a hopeful future.

The British Commercial Gas Association markets a

product which cannot be trade-marked. But in most industries it is quite easy to register a common label or otherwise to tie up the advertising to the contributors. The question then arises whether this should, or must, supersede the individual trade-marks or brands of manufacturers. It is one which must be decided according to the circumstances of the particular industry concerned. From time to time, someone revives the antiquated notion of a national trade-mark, to serve as a brand of origin, and distinguish British goods at home and abroad. The same project was mooted, during 1918, in the United States. For reasons which would be irrelevant here, all the best authorities are agreed that a national trade-mark would do more harm than good to a nation's trade, and whenever someone raises the question anew (often believing himself to have hit upon an original and beneficent idea), it is found that the principal firms in every industry refuse to have anything to do with the scheme, and even take energetic steps to kill it. The fact is, that such a mark of origin might be a fine thing for the producers of poor stuff ; but it would be a very bad thing for the producers of the best. Evidently such a mark would, in any event, be used in addition to the individual brands or trade-marks of manufacturers. In America, the idea of a national trade-mark has given place to the suggestion that all exported goods shall carry the words 'Made in U.S.A.' In all important countries it is likely that the fraudulent use of such a mark could be penalised by ordinary legal proceedings, which afford better protection than an action for infringement of trade-mark.

VII

A kind of Advertising having some analogy to co-operative Advertising is called institutional Advertising. Although its purpose is strictly commercial, it can also be included here, because it does not attempt directly to cause sales.

Institutional Advertising means advertising the firm instead of advertising the goods. Mr. Selfridge's literary

announcements in the London evening papers have, nearly always, this character. It sometimes happens that a firm suffers in reputation from some cause entirely disconnected with the quality of its wares, and loses business through the prejudice created. Institutional advertisements can then do much to save the situation.

Institutional Advertising, if well written, can do much to raise the reputation of the advertiser. The best-known examples of it in this country date back to the years 1904-6. During that period, *The Times* accepted, at a special rate of payment, what may be called guaranteed announcements. These were never of less than two full columns' extent, and formed series of six insertions or over : each carried at the top a paragraph stating that the announcement had been written by the Advertisement Department of *The Times*, after independent investigation of the facts recited. Very great pains were taken to verify the statements printed, and to select the firms permitted to use this mode of advertisement : and the literary workmanship of the announcements had often great merit. From the nature of the circumstances they were not advertisements framed with the object of selling goods. Often they did not mention specific commodities at all. I think they never quoted any prices. For this reason they were never regarded with the respect which they deserved by the canvassing staff, who had not vision enough to appreciate their real advertising value, and even called them by the unjust and irreverent name of 'gold-bricks.' Advertisements with an independent guarantee of this nature are capable of doing valuable service, both to advertisers and the public. Evidently this is a good way to conduct institutional Advertising.

Much more than has yet been attempted in this country might be done with institutional Advertising. A firm producing articles of food, for example, or a manufacturer of drugs, could usefully describe the methods used in his factory, and the general reputation of his wares would be thus established. The independent guarantee of a newspaper is not necessary. If it were thought desirable to call evidence, the announcements could be signed by the author. In the

Introduction to this volume, the use of signed advertisements, which I believe is destined to be greatly developed in the future, was discussed : and institutional Advertising could be particularly helped by a signature.

One phase of Advertising to which the institutional method has been, and could often be, applied, may be mentioned in closing. The time when a public company is about to invite subscriptions for new shares, is eminently a time for institutional Advertising. Investors will put their money into a concern that they know and respect, far more readily than into one that is strange to them. And, however well an institution is known, it will obtain new capital far more easily if it has given the public a detailed account of itself before asking for the money. No company, and no other institution, is so important that it can dispense with Advertising when it requires funds. The Dominion of Canada and the Commonwealth of Australia are not above advertising themselves—and doing very fine institutional Advertising—when they want population. Directors and promoters of commercial companies will be wise to do institutional Advertising when they want funds.

And financial Advertising in the future will require to be much more efficient than in the past. The War-Bond advertisements have set a new pace in this department of business. Notwithstanding the difference visible in War-Bond advertising at the moment Sir G. A. Sutton let go, and before another professional advertising-man took over the job, people who want to finance new enterprises or issue new shares in an established one, will announce their intentions in a new way hereafter. A stock prospectus that is about as lively as a funeral, and has the thrilling excitement of a railway time-table, is an anachronism, considered as the sole publicity of an important issue. It will not be practicable to sell shares like that on the scale required in the coming time.

From the moment when the Government put a live advertising-man in charge of War-savings publicity—and *gave him the free hand that he insisted upon*—War Bonds and War-

savings Certificates began to sell at an advertising *ratio* which has no precedent, and is not likely to have any successor. Perhaps patriotism, and not 5 per cent, sold the bonds. But who stimulated this patriotism? Who fetched the millions of fifteen-and-sixpences out of the pockets of people whose best investment before that had been the Post Office Savings Bank? Who taught thousands of people who didn't know a contango from an Exchequer Bond to take their money out of deposit account and buy War Bonds with it, then lodging these War Bonds with their bankers as a security for overdraft, and using the overdraft to buy more bonds? Was it done with announcements set up in the engaging manner of 'Bradshaw's Guide,' announcements that looked at you with fish-like eye, and mentioned that the Government was prepared to receive applications for £1,000,000,000 secured on the consolidated fund? Not within a hundred miles! It was done by painting a picture, in words that burned and sang, of the use for which that money was wanted.

Nothing else will do the work. The day is gone when enterprises can be financed by the professional promoter's money and the funds of small, rich groups. The money of the small investor must be brought in. The thrift of the wealthy must be made to pay for British enterprise, instead of being invested in debentures of foreign railways, the stock of alien governments, and other gilt-edged investments that have not turned out quite so golden as they used to look. This cannot be accomplished by appealing only to the ordinary kind of financial instincts of landowners and other people who do not spend all their income. Their present idea of an investment is something that pays about $2\frac{3}{4}$ per cent., but does not need any watching. The only way to enlist their money in the righteous cause of national progress is to touch their imagination. A concern that needs new capital will have to raise it in the time to come by appealing to the imagination and the sense of the power and usefulness of wealth rightly used. People will not be asked to stow away their money in preferred debentures issued by a concern

that has a zinc-mine somewhere—they have to hunt up the prospectus again to make sure whether it is in Australia or Ecuador. They will be told what the enterprise is like, what the company does or is going to do, what the labours or the daring of the actual prospectors and managers accomplished, and asked to take the profits and risks of the ‘ordinary’ shareholder, instead of a small, safe, fixed percentage.

The old kind of information will, of course, also be published about new issues, probably in much the old form. It is necessary information. It is the only kind of information that would be of any use to one class of investors. But before the actual issue, there will be preparation. There will be well-written, illustrated, and breathlessly absorbing institutional announcements, which will put life into the dull business of trying to get as much interest on money as possible.

Above all and before all, Company advertising of the new kind must be bone-hard honest. Every man who is allowed to write any sort of advertisement, whether of hams or hardware, sugar-plums or soap, ought first to have been tested and proved to have imagination enough to be incapable of printing a lie. I say to have imagination enough, because it is only the dullard, and the man without a thought beyond the immediate cravings of his belly, who thinks that he can make any money that will stay in the cash-box by humbugging the public, or trying to. Neither more nor less than in commercial salesmanship by the printed word, the seller of shares in a new or an old company must have brains enough to be honest. It needs brains to be honest. But there are men that have them. These are the men who must be sought out, to do the work of finding Capital for the new work of the world.

Evidently a great deal of the advertising which will be used for financing business will be of the institutional character. It will not be easy to write: it will require a high degree of literary talent and conscientiousness. One effect of it, I hope, will be to set up a higher literary standard in Advertising all round. The advertising business can do with it!

VIII

One other kind of Advertising which is strictly non-commercial, since there is no question of selling anything at all by it, remains to be discussed—namely, political Advertising. But the subject has, in the main, no importance to the business people for whom this book is meant, and if treated with fulness would require a considerable volume. The remarks offered will therefore be confined to one aspect of it, because this aspect illustrates a commercial problem, for the sake of which alone political Advertising is discussed at all on the present occasion.

Political Advertising, in a full treatment, would drag the reader through some devious ways which the late War, and certain things which preceded it, made odious with the name of 'propaganda.' As a part of the Germanic intrigue for world-supremacy, a complicated plan was put into operation for dominating the Press of the chief European nations and of South America. Roundabout systems of company and sub-company, principals and subsidiaries, screened by neutral citizens as accomplices and tools, enabled the German Government to gain a strangle-hold on numerous Continental and other newspapers. The British Empire and the United States escaped, as far as is known, this insidious menace : and they escaped it indirectly through the beneficent influence of Advertising. A newspaper is powerful and independent in proportion to its ability to command revenue from Advertising. A large number of newspapers—perhaps a majority—in the two English-speaking nations actually cost as much to print as the publishers receive from newsagents, or cost more. All the expenses of editorship, telegraphic services, reports, and management are supplied by advertising-revenue. If a newspaper cannot live and flourish by means of its advertisements it must either go out of business or become, paradoxically, the prey of advertisers. The British newspaper Press is able to treat advertisers with the disdain which it does, in fact, rather unfairly exhibit, precisely because it can obtain

from its advertisement columns all the revenue needed. The Continental Press is, in a preponderating part, at the mercy of advertising contractors, because it has to derive a large part of its income from the profit on sale of copies. All is paradox !

Many Continental newspapers allow their advertisement-revenue to be 'farmed.' That is to say, an advertising agency contracts for the exclusive right to let the space, either paying an annual rent for the whole, and making what profit it can ; or else obtaining the sole right to let off as much space as it can, on its own terms, and pay a fixed rent for as much space as its clients occupy. The needy Press of Continental Europe was further compelled to sell what soul it possessed to the farming agents, who exercised a kind of censorship : they could prevent the publication of anything which they did not like. Sometimes their taste forbade anything which might inconvenience the German military authorities. Direct ownership of newspapers, believed to exercise political influence, was also sought by representatives of German propaganda, and has led to trials and executions during the War.

In South America, the hidden hand in the newspaper world has been working for Germany's commercial profit, as well as, and more than, for political gain ; though during the War false news was disseminated there and elsewhere. The United States had some difficulty in checking the same game at home, and Washington found it necessary to establish a Press bureau. The British Government, too, had a Ministry of Information and a department which tried to spread propaganda in enemy countries. Of this, perhaps, the less said the better.

All belligerent nations used advertisements to disseminate ideas believed to be useful and to sustain *moral*. Such publicity would be necessarily included in a general definition of political advertising. The political advertising to be discussed here is much more narrowly limited. Perhaps it is best defined by calling it election advertising.

Ever since billposting came into general use it has been

a great feature of electoral contests. I suppose that it has had importance for quite a century, though modern billposting as an organised and respectable trade only dates back to 1863, when billposters, led by the late Mr. Sheldon, began the practice of paying for and protecting billposting stations. Prior to this, billsticking was a shady business, carried on mostly at night. Men were sent out with small, evilly-printed bills to be stuck up wherever an opportunity offered, and pulled down again by indignant owners of property next morning. Protected and rented stations, now rated for local taxation, put billposting on the up-grade. If such stations have been invaded to any serious extent during the last half-century, it has been for political purposes. I remember nights when, in the wildness of youth, I went forth with other lads to cover up the election posters of the opposite party, and tear down the bills that had been stuck over our own by the enemy's myrmidons, both paid and unpaid.

Until 1910, election advertising in the Press was almost entirely confined, when it existed at all, to the publication of candidates' official addresses. In 1905, when advertisement manager of *The Times*, I succeeded, to the scandal of my own political sentiments, in inducing one party to use a full-page announcement, and tried unsuccessfully to get the other party to redeem my conscience by replying to it in the same manner. My best outdoor representative journeyed to Birmingham, waylaid the Right Honourable Joseph Chamberlain after a public meeting, and tried to let him a page for the Tariff Reform League. Mr. Chamberlain received him well, and took him home to supper, but did not give him the order. The election turned out badly for the party that did pay for space.

In 1910, when I had the honour of conducting a full-dress electoral newspaper-advertising campaign, under the brilliant direction of Mr. Robert Donald, I laid down what I believe to be the basic principle of election-advertising. This was, that the papers in which a party should advertise for electoral purposes are those opposed to itself. Quite ninety electors out of a hundred hate the opposite party so

much that they never read any newspaper unless it is on their own side. The more violent and scurrilous it is, the more popular. If you want to make converts and turn votes, the only chance of doing this by Press advertising is to print your arguments in the enemy's papers, snatching conviction through the justice of your cause or the speciousness of your allegations.

In practice, there are the following two difficulties about this—the second much more serious than the first. The first is that campaign-funds are limited, and as soon as the newspapers of either party find that all their party's advertising is given to those of the opposing party (as it should be) they set up a howl, which frightens candidates out of their common sense. 'Here,' say the exacerbated editors, 'have we been supporting you through thick and thin, printing your rotten speeches and editing them for you until they read like sense, organising meetings, and raking up everything we can against your opponents; and when you have money to spend you give it to the other fellow—full pages of it! It isn't fair.'

Of course the proper reply would be: 'Go to the opposition candidate. He is the man who ought to use your space.' But, in the difficult stresses of an election, the fact is that the party Press has to be placated, and the fund divided to publish arguments where they are not really needed, and to address readers who are *plus catholiques que le pape*.

That is the lesser of the two obstacles to newspaper-advertising for electoral purposes. The other, which I had to face in 1910, is much more serious. When it came to business, some of the most important papers on the side politically opposed to me, led by the *Daily Mail*, refused to take my advertisements at all.

This, of course, raises the whole question of editorial concern with Advertising. I have no doubt that the papers which refused the advertisements were, in one sense, perfectly right. Certainly, I should not wish to interfere with an editor's discretion, however improperly exercised. As an advertising-man, actuated solely by a desire to subserve the

general efficiency of Advertising, I would (on the contrary) strain every nerve to maintain the editorial integrity of the Press. It is only through this integrity that the Press is the supreme advertising *medium* which it is. No editor should be required by a newspaper proprietor to do or print anything in favour of advertiser's goods, or to puff them in any way whatsoever. It is much better for them that he should not. Out of this arises what I believe to be good law and a principle important in the public interest—namely, that the advertisement-manager of a newspaper, however bindingly he may have accepted an advertiser's contract, cannot be required to fulfil it. The insertion or omission of any announcement ought to be within the unquestioned competence of the editor, and of him alone. It follows, that although a newspaper may have accepted what is called a series-order, and inserted some of the advertisements in the series, it cannot be required to complete the insertion of the series.¹

But not all lawful things are expedient. Whether it is, in fact, expedient for newspapers to refuse political advertisements for political reasons is a question unaffected by anything said above. The newspaper which inserted an adverse political announcement would have the right, and perhaps be under the obligation, to shoot it to pieces in its editorial columns. The advertiser would have no grounds for objecting to this, however virulent the attack which he had brought upon himself. But if we believe in democratic principles at all, we ought to believe that the electorate has a right to hear every argument from every side. We ought not to deprive an opponent of any opportunity to state his case. We believe his case to be untenable. We believe ourselves (on whatever side we may be) able to answer it. We ought not, therefore, to suppress it. If our own case is sound, the more fully the enemy exposes his arguments the better our opportunity to turn them

¹ Two limitations must of course be placed on this. The first is that the discretion exercised by the newspaper must be exercised reasonably, like every other legal discretion. The other is, that if the rate charged for a series of advertisements is reduced in consideration of the length of the series, and if the series is cut short by the newspaper, the latter cannot, of course, expect to charge the higher rate applicable to a shorter series.

against him. And the Press, being a public utility, ought no more to close its columns against an electoral announcement opposed to its editorial policy, than a billposter ought to refuse to put up bills for the party for which he does not intend to vote.

This obligation is, as I have tried to indicate, purely moral. Legally and commercially, newspapers have a right to please themselves. The only opinion which I express is that they ought to act impartially in letting their space, favouring no party. *The Times* ought to accept the advertisements of the Social Democratic party and the *Daily Herald* those of the Tories.

The subject would not have been discussed at all in this place if it did not illustrate a point in commercial Advertising. It is a point of some importance.

Some commercial advertisers are always asking the advertisement-managers of newspapers to procure for them what are called 'notices,' and do, in fact, very often succeed in having paragraphs inserted, without payment, about themselves or their wares. At *The Times* office, I was always being asked to find some way of infringing the editorial chastity. There is an organised system of insinuating into the Press articles believed to serve the purpose of Advertising, without being printed and paid for as advertisements, and the calling of a 'Press-agent' is recognised by some directories. What I proceed to discuss here is the morality and the commercial efficiency of the free-notice system.

And first its morality, which can be quickly disposed of, after a famous literary precedent. There is no morality in the free-notice. In so far as a newspaper enjoys the confidence and can influence the acts of its readers, the newspaper is the repository of a trust which it should respect. It should print nothing about any commodity, merchandise, or utility from any other motive than the knowledge or belief that the public needs, or its readers desire, information on the subject. But, on the other hand—and it is here that newspapers of the better class are transgressors—a newspaper should not suppress or mutilate any piece of news, because to publish it in full would

benefit some advertiser, whether that advertiser uses its own columns or not. In fact, a newspaper should publish news and think of nothing else—I use the term ‘newspaper’ to mean any kind of periodical, and ‘news’ to mean any kind of reading-matter. If there is anything of general interest to be said about a commercial product, editors and their subordinates are silly to deprive the item of the definiteness which everywhere else is the soul of journalistic reporting, merely because they are reluctant to do good to someone who never did them any harm, and very possibly helped to pay their wages. No doubt a certain amount of moral cowardice enters into their subjectivity. They fear to be suspected of puffery in connection with a commercial object, though without shame and without concealment they engage in log-rolling of a kind that would make even a Press-agent blush, supposing his hardened capillaries to be capable of it.

Advertisers who want to get their names into print are presented with the following hints. Do not ask your advertising agent to ‘work the oracle.’ He can rarely do it, except with papers of influence and circulation so paltry that they are of no value to you ; and they will probably cajole from you some kind of compensation for their own misconduct that will cause you to spend more money on their space than it is worth. But if you must do this kind of thing, for goodness’ sake write your puff yourself, or have it written by someone who knows the trick, because if you allow the paper to perpetrate its own shame, it will do the job too stupidly to be of any value to you.

There is a much better way to obtain free notice, however, and this is to do something which really is, or looks like, news, and contrive that the reporters receive a hint from someone of their own profession. Some years ago, an advertiser of my acquaintance hit upon a clever dodge to obtain free publicity. An explorer had started for remote regions, and the advertiser had sold him some goods. These he kept back until the expedition had publicly started. Of course it was going to be quite easy to overtake the ship by sending the goods overland to a continental coaling-station ; but the

wily merchant chose to forget this for the moment. He equipped a man in full exploratory costume and had the case of goods very conspicuously labelled with the real explorer's eminent name. He then got a friend to send a suitable telephone-message to the Press Club and one or two other places, with the result that a number of reporters (some of them with cameras) arrived at the advertiser's place just in time to see the goods start, the man in charge confiding to them his intention of following the expedition to its goal, all risks disregarded, if he could not overtake it on the way. The consequence was that by the time the packing-case had been dispatched *grande vitesse* (it was before the War) and the masquerader had put on his ordinary clothes, all the morning papers, or most of them, had a capital 'story' in type, and many of them were making blocks from photographs which displayed the name of the product in large letters. If you *must* go in for the free-notice idea, do it thoroughly!

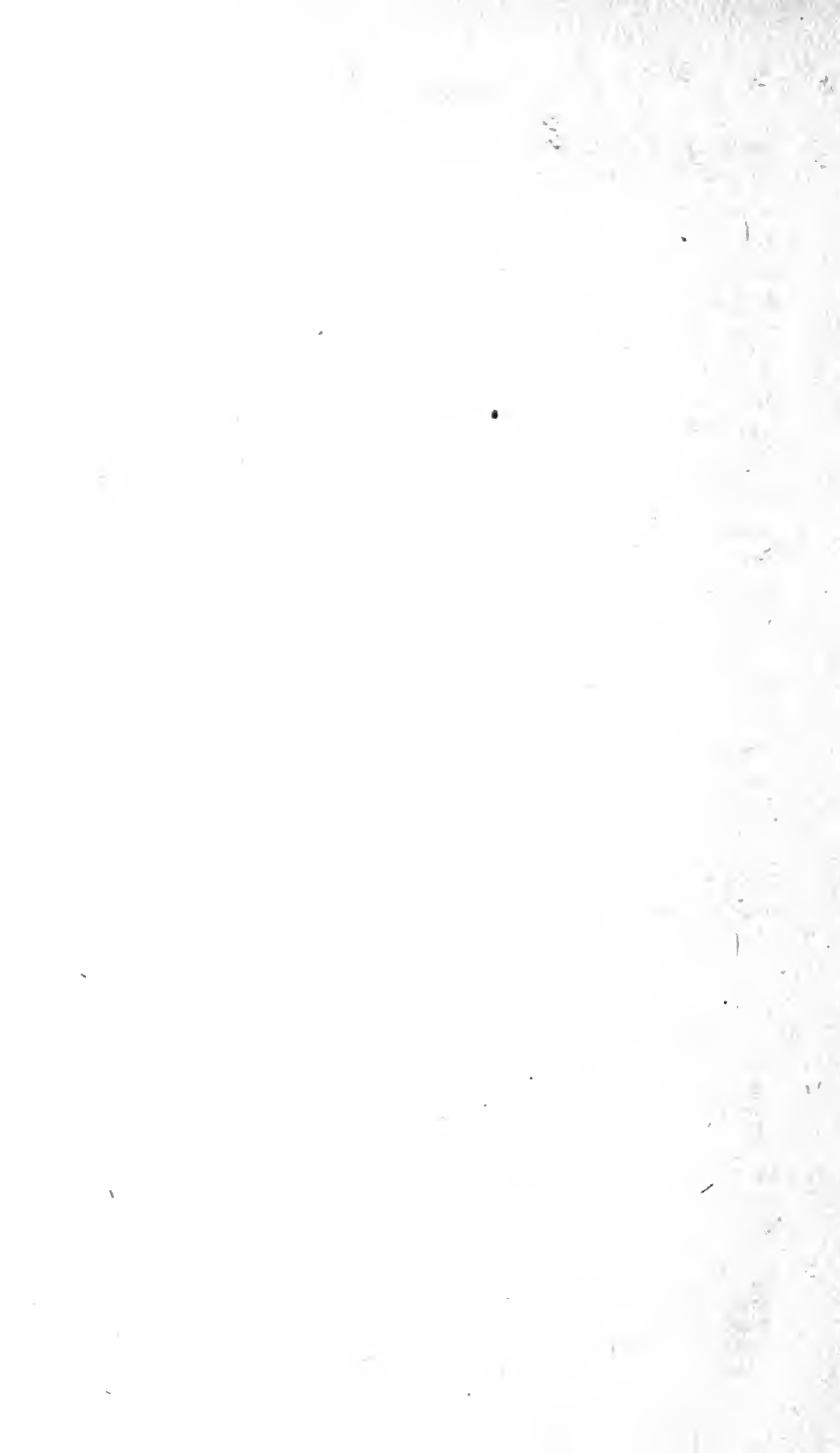
At *The Times*, as I have said, I was always being pestered to obtain free-notices for advertisers, and always refused to attempt what I knew that I could not accomplish. But I did occasionally show an advertiser how to make himself a subject of public interest, and sometimes helped him by writing the report myself. It is to the credit of *The Times* to mention, that when I did get one of these things past the news-editor, the editorial department always solemnly sent me a cheque for my copy at the regular news rate, thus asseverating the inviolable virginity of its editorial columns.

But I very much doubt whether all the fuss made, and trouble taken in order to obtain free-notices, pays for itself, even when a paragraph does appear in a paper worth troubling about. The fact is, that without the psychological impact of a real advertisement, suggesting, by association of ideas, the notion of buying, no amount of print and paper seems to sell the goods. Indeed, no matter what it is that you want people to do, there is evidence that you can more easily make them do it by means of the advertisement-columns than by means of the reading-matter columns, so called. An example of this evidence is furnished by the electoral adver-

tising, already too often mentioned for my own private taste. In one important tract of country, the opposed party had been able, for certain geographical reasons, to launch a specially heavy attack at a late stage in the campaign. This greatly disturbed the leaders of my side, and I was summoned at midnight to deal with it. The thing was handled promptly. I roused the late W. T. Stead from a sick-bed at two o'clock in the morning—Mr. Donald having perceived with his unerring *flair* that Mr. Stead was the one man in England who could produce what was wanted—to write the advertisement.

Now, all the papers of the opposed party were, of course, backing the scare to which this advertisement was the answer, with all the weight of their editorial columns : but most of them inserted our advertisement all the same. Thus there was constituted a perfect 'test case.' The advertisement asked the readers to do one thing. The 'free-notice' asked them to do the reverse. Well, the result was this. In the tract of country covered by the advertising, we lost only one seat : and that seat was lost in a constituency where the candidate opposed to us owned the local paper and refused to insert the advertisement !

I do not believe that free-notices sell goods. It takes straight advertising to do that. I very much question whether the free-notice dodge does as much good as harm.



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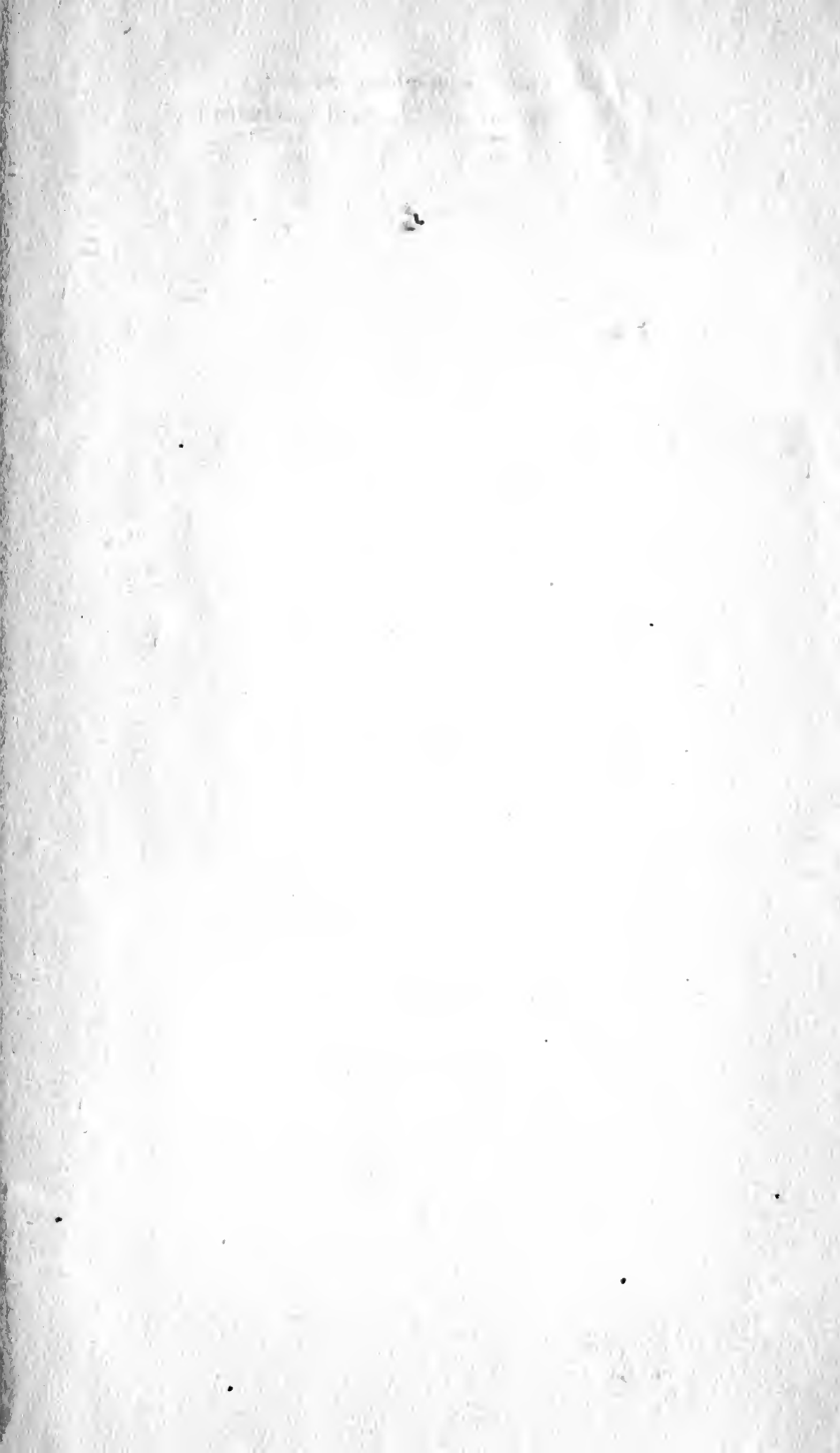
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